

<b>AWARD/CONTRACT</b>		1. THIS CONTRACT IS A RATED <input checked="" type="checkbox"/> ORDER UNDER DPAS (15 CFR 350)	RATING	PAGE OF PAGES 36
2. CONTRACT (Proc Inst Item) NO. M67854-05-D-7013		3. EFFECTIVE DATE See Block 20c	4. REQUISITION/PURCHASE REQUEST/PROJECT NO.	
5. ISSUED CODE M67854 COMMANDING GENERAL MARINE CORPS SYSTEMS COMMAND ATTN: M CATHERINE RICHMOND PG12 02CR 2200 LESTER STREET QUANTICO, VA 22134-6050		6. ADMINISTERED BY (If Other than S) CODE S2101A DCMA - BALTIMORE 217 EAST REDWOOD ST, STE 1800 BALTIMORE, MD 21202-5299 ATTN: GLENN GOTSCHALL, 301-208-7581 ggotschall@dcicmde.dema.mil		
7. NAME AND ADDRESS OF CONTRACTOR (Do Not Use Cfg, Comm, Sec and ZIP CODE)  THALES COMMUNICATIONS, INC. 22605 GATEWAY CENTER DRIVE CLARKSBURG, MD 20871  CCR: VERIFIED		8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below) SEE SECTION F		
9. DISCOUNT FOR PROMPT PAYMENT		10. SUBMIT INVOICES TO THE ADDRESS SHOWN IN: <input checked="" type="checkbox"/>		
CODE 25386 FACILITY CODE 002253785		ITEM SEE SECTION G		
11. SHIP TO-MARK FOR CODE  SEE SECTION F		12. PAYMENT WILL BE MADE BY CODE M67443 DFAS - COLUMBUS P.O. BOX 369022 ATTN: KANSAS COLUMBUS, OH 43236-9022		
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION. <input checked="" type="checkbox"/> 10 U.S.C. 2304 (a) (1) ; 48 U.S.C. 2532 (1)		14. ACCOUNTING AND APPROPRIATION DATA SEE SECTION G		
15A. ITEM NO	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE
SEE SECTION B				
15G. TOTAL AMOUNT OF CONTRACT				NTES75,000,000.00
16. TABLE OF CONTENTS				
(✓)   SEC	DESCRIPTION	PAGES	(✓)   SEC	DESCRIPTION
PART I - THE SCHEDULE			PART II - CONTRACT CLAUSES	
✓   A	SOLICITATION/CONTRACT FORM	1	✓   J	CONTRACT CLAUSES
✓   B	SUPPLIES OR SERVICES AND PRICES/COSTS	11	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS	
✓   C	DESCRIPTION/SPECS/WORK STATEMENT	4	✓   J	LIST OF ATTACHMENTS
✓   D	PACKAGING AND MARKING	1	PART IV - REPRESENTATIONS AND INSTRUCTIONS	
✓   E	INSPECTION AND ACCEPTANCE	1	✓   K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS
✓   F	DELIVERIES OR PERFORMANCE	1	✓   L	INSTRS, CONDS, AND NOTICES TO OFFERORS
✓   G	CONTRACT ADMINISTRATION DATA	3	✓   M	EVALUATION FACTORS FOR AWARD
✓   H	SPECIAL CONTRACT REQUIREMENTS	1		
CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE				
17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 2 copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) the award contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)			18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) the award contract. No further contractual document is necessary.	
19A. NAME AND TITLE OF SIGNER (Type or Print) Robert A. Braun - VP Contracts			19B. NAME OF CONTRACTING OFFICER M. CATHERINE RICHMOND CONTRACTING OFFICER, UNITED STATES MARINE CORPS	
19C. DATE SIGNED 1/17/05		19D. UNITED STATES OF AMERICA		19E. DATE SIGNED 1/17/05
19F. NAME OF CONTRACTOR BY <i>[Signature]</i> (Signature of person authorized to sign)		19G. SIGNATURE OF CONTRACTING OFFICER BY <i>[Signature]</i> (Signature of Contracting Officer)		

SECTION B - SUPPLIES/SERVICES AND PRICES/COSTS

B.1 Blocks 15A, 15B, 15D

<u>ITEM</u>	<u>SUPPLIES/SERVICES</u>	<u>UNIT</u>
0001	MBITR Urban System In accordance with Table A	Each
0002	MBITR Maritime System In accordance with Table B	Each
0003	Secondary Items - In accordance with Table C	Each
0004	Extended Warranty - In accordance with Table D and Attachment J.4	Each
0005	Peculiar Test Equipment - In accordance with Table E and Attachment J.3	Lot
0006	Training Manual - In accordance with Table F	Lot
0007	TRAINING - OPERATOR In accordance with Table G	Each
0007AA	East Coast CONUS - single	Each
0007AB	East Coast CONUS - double	Each
0007AC	West Coast CONUS - single	Each
0007AD	West Coast CONUS - double	Each
0007AE	OCONUS - single	Each
0007AF	OCONUS - double	Each
0008	TRAINING - MAINTENANCE In accordance with Table H	Each
0008AA	East Coast CONUS - Initial	Each
0008AB	West Coast CONUS - Initial	Each
0008AC	OCONUS - Initial	Each
0008AD	East Coast CONUS - Refresher	Each
0008AE	West Coast CONUS - Refresher	Each
0008AF	OCONUS - Refresher	Each
0009	Depot Logistics Support - In accordance with Table I	Each
0010	Spares - In accordance with Table J and Attachment J.2	Each
0011	Engineering and Technical Support - In accordance with Table K	Each

NOTE: Under this indefinite delivery/indefinite quantity (IDIQ) contract, equipment and service, if any and as required, shall be ordered by the issuance of Delivery Orders. Exact quantities will be established on Delivery Orders. The minimum ordering requirement under this contract is \$3,000,000; maximum is \$75,000,000.

B.2 PRICING TABLES, 15B, 15C, 15D, 15E

Table A – MBITR URBAN SYSTEM (CLIN 0001)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
MBITR URBAN SYSTEM	1-24	EA	<b>(b)(4)</b>		
P/N PRC6991-BBS-SYS	25-149	EA			
	150-349	EA			
	350-599	EA			
	600-999	EA			
	1000 UP	EA			

See Table Note 1.

Table B – MBITR MARITIME SYSTEM (CLIN 0002)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
MBITR MARITIME SYSTEM	1-24	EA	<b>(b)(4)</b>		
P/N PRC6991-ABS-SYS	25-149	EA			
	150-349	EA			
	350-599	EA			
	600-999	EA			
	1000 UP	EA			

See Table Note 1.

Table C – SECONDARY ITEMS (CLIN 0003)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
MBITR VEHICLE ADAPTER, PN MA6943	1-15	EA	<b>(b)(4)</b>		
(Includes Remote Control Head Cable, DC Input Cable, Manual and Operator Card)	16-99	EA			
	100-199	EA			
	200-349	EA			
	350 UP	EA			

DESCRIPTION	QTY	UNIT	12/17/04 to 3/31/05 UNIT PRICE	4/1/05 to 3/31/06 UNIT PRICE	4/1/06 to 3/31/07 UNIT PRICE
SPECIAL POWER ADAPTER INTERFACE (SPAI)	1-15	EA	(b)(4)		
PN 4101310-501	16-99	EA			
	100-199	EA			
	200-349	EA			
	350 UP	EA			
SPAI DC INPUT CABLE	10-249	EA			
3500460-501	250-499	EA			
	500-999	EA			
	1000 UP	EA			
PC COMPATIBLE PROGRAMMER	1-10	EA			
MA6941F	11-49	EA			
	50-99	EA			
	100-175	EA			
	176-UP	EA			
Antenna, 30-512 MHz	10-249	EA			
3100662-501 (1600500-1 plus cap)	250-499	EA			
	500-999	EA			
	1000 UP	EA			
ANTENNA, 30-90 MHz	10-249	EA			
3100661-501 (1600398-2 plus cap)	250-499	EA			
	500-999	EA			
	1000 UP	EA			
ANTENNA, 116-174 MHz	25-249	EA			
SS-1600293-1	250-499	EA			
	500-999	EA			
	1000 UP	EA			
ANTENNA, 400-512 MHz	25-249	EA			
PN SS-1600294-1	250-499	EA			
	500-999	EA			
	1000 UP	EA			
Battery, Rechargeable.	10-49	EA			
P/N 1600515-3	50-249	EA			
	250-999	EA			
	1000-4999	EA			
	5000 UP	EA			

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
HOLDER, BATTERY. (For DL2/3A lithium cells)	25+	EA	<b>(b)(4)</b>		
P/N 4101240-501					
CABLE, DATA INTERFACE, MBITR	10-249	EA			
P/N 3500396-501	250-499	EA			
	500-999	EA			
	1000-UP	EA			
GPS CABLE	10-15	EA			
P/N 3500465-501	16-99	EA			
	100-199	EA			
	200-349	EA			
	350 UP	EA			
PDC CABLE	10-15	EA			
P/N 3500466-501	16-99	EA			
	100-199	EA			
	200-349	EA			
	350 UP	EA			
AUDIO/KEYFILL ADAPTER (MARITIME ONLY)	10-15	EA			
P/N 3600190-1	16-99	EA			
	100-249	EA			
	250 UP	EA			
BATTERY CHARGER,SINGLE SLOT.	10-49	EA			
P/N 1600581-1	50-249	EA			
	250-999	EA			
	1000+	EA			
BATTERY CHARGER, SIX SLOT AC/DC.	5-49	EA			
P/N 1600580-1	50-249	EA			
	250-999	EA			
	1000+	EA			
BATTERY CHARGER, SIX SLOT AC ONLY.	5-49	EA			
P/N 1600580-2	50-249	EA			
	250-999	EA			
	1000+	EA			

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
MBITR CLONING CABLES	10-249	EA	<b>(b)(4)</b>		
P/N 3500395-501	250-499	EA			
	500-999	EA			
	1000 UP	EA			
MBITR HOLSTER	25-249	EA			
P/N 1600494-1	250-499	EA			
	500-999	EA			
	1000 UP	EA			
MBITR ACCESSORY BAG	25-249	EA			
P/N 1600495-1	250-499	EA			
	500-999	EA			
	1000 UP	EA			
MBITR REPLACEMENT MANUAL	100-299	EA			
P/N 84329	300-499	EA			
	500-999	EA			
	1000-UP	EA			
MBITR URBAN HEADSET AUDIO ACCESSORY	5-49	EA			
P/N 1600567-1	50-99	EA			
	100-249	EA			
	250-499	EA			
	500-999	EA			
	1000 UP	EA			
MARITIME HEADSET AUDIO ACCESSORY	5-9	EA			
P/N 1600503-5	10-49	EA			
	50-99	EA			
	100-499	EA			
	500-999	EA			
	1000 UP	EA			
EAR MICROPHONE MBITR	1-149	EA			
PN 1600585-1	150-349	EA			
	350-UP	EA			
SPEAKER MICROPHONE ASSEMBLY	10-24	EA			
P/N 1600469-4	25-49	EA			
	50-99	EA			

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
	100-249	EA	<b>(b)(4)</b>		
	250 UP	EA			
Earphone Kit for Palm Speaker-Mic	10-49	EA			
PN 1100542-501	50-99	EA			
	100-499	EA			
	500+	EA			
URBAN COMMERCIAL LIGHTWEIGHT HEADSET	10-49	EA			
(With Headband)	50-99	EA			
P/N 1600551-2	100-499	EA			
	500-1499	EA			
	1500-2499	EA			
	2500 UP	EA			
URBAN COMMERCIAL LIGHTWEIGHT HEADSET - Helmet Clip	10-99	EA			
P/N 85267	100-499	EA			
	500-1499	EA			
	1500-2499	EA			
	2500-4999	EA			
URBAN COMMERCIAL LIGHTWEIGHT HEADSET - Headstrap	10-99	EA			
P/N 85268	100-499	EA			
	500-1499	EA			
	1500-2499	EA			
	2500-4999	EA			
EXPEDIENT RETRANSMIT KIT	6-10	EA			
P/N 1100540-501	11-24	EA			
	25-49	EA			
	50-99	EA			
	100 UP	EA			
ON/OFF VOLUME KNOB RETROFIT KIT	1&UP	EA			
SHORT ON/OFF VOLUME KNOB KIT P/N:1100588-501					
2-Slot Rugged Charger	5-49	EA			
P/N MA6751	50-249	EA			
	250-999	EA			
	1000 UP	EA			

See Table Note 1.

Table D – EXTENDED WARRANTY (CLIN 0004)

			10/1/04 to 9/30/05	10/1/05 to 9/30/06
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE
12 Months Extended in accordance with Attachement J.1, SOW for Previously Shipped Radios		EA	(b)(4)	

Table E – PECULIAR TEST EQUIPMENT (CLIN 0005)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
PECULIAR TEST EQUIPMENT KIT, PN 1100615-501:		LOT	(b)(4)		
<i>Unique Test Equipment and Software (Per Location) per Attachment J.3</i>					

See Table Note 2.

Table F – TRAINING MANUAL (CLIN 0006)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
INTERMEDIATE LEVEL MAINTENANCE MANUAL DEVELOPMENT AND MAINTENANCE TRAINING MATERIAL DEVELOPMENT in accordance with Attachment J.1, SOW		LOT	(b)(4)		

See Table Note 2.

Table G – TRAINING – OPERATOR (CLIN 0007)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
OPERATOR TRAINING COURSE (25 students max)			(b)(4)		
East Coast CONUS, Single Course (One 3-Day Course) (East of Mississippi River)		EA			
East Coast CONUS, Double Course (Two Consecutive 3-Day Courses) (East of Mississippi River)		EA			
West Coast CONUS, Single Course (One 3-Day Course) (West of Mississippi River)		EA			

West Coast CONUS, Double Course (Two Consecutive 3-Day Courses)		EA	<b>(b)(4)</b>
(West of Mississippi River)			
OCONUS, Single Course (One 3-Day Course)		EA	
OCONUS, Double Course (Two Consecutive 3-Day Courses)		EA	

Table H – TRAINING – MAINTENANCE (CLIN 0008)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
<b>ORGANIC INTERMEDIATE LEVEL MAINTENANCE TRAINING COURSE:</b>					
Initial Repair Facility Course at USMC CONUS East location for 13 Days for up to 6 Students (3 days depot set-up, 3 days operator training and 7 days maintenance training). USMC to provide facilities and equipment.		EA	<b>(b)(4)</b>		
Initial Repair Facility Course at USMC CONUS West location for 13 Days for up to 6 Students (3 days depot set-up, 3 days operator training and 7 days maintenance training). USMC to provide facilities and equipment.		EA			
Initial Repair Facility Course at USMC OCONUS location for 13 Days for up to 6 Students (3 days depot set-up, 3 days operator training and 7 days maintenance training). USMC to provide facilities and equipment.		EA			
Refresher Course at USMC CONUS East location for 10 Days for up to 6 Students (3 days operator training and 7 days maintenance training). USMC to provide facilities and equipment.		EA			
Refresher Course at USMC CONUS West location for 10 Days for up to 6 Students (3 days operator training and 7 days maintenance training). USMC to provide facilities and equipment.		EA			
Refresher Course at USMC OCONUS location for 10 Days for up to 6 Students (3 days operator training and 7 days maintenance training). USMC to provide facilities and equipment.		EA			

See Table Note 2.

Table I – DEPOT LOGISTICS SUPPORT (CLIN 0009)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
<b>CONTRACTOR DEPOT LOGISTICS SUPPORT (CDLS)</b>					
Repairable Item prices (per repair) for non-warranty items:			<b>(b)(4)</b>		
Urban or Maritime RT Unit		EA			
VA Unit		EA			
6 Slot AC Charger		EA			
6 Slot AC/DC Charger		EA			
XVCR (PA & Syntheiser Boards) Assy, PN 4101143-501		EA			
Control / Crypto Board Module, PN 4101146-5014		EA			
No Fault Found (NFF)		EA			

Table J – SPARES (CLIN 0010)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
<b>SPARES :</b>					
Maritime (20M Immersible) MBITR Depot Spares Kit, PN 1100604-501 (Supports 100 radios)	1	EA	<b>(b)(4)</b>		
Urban (2M Immersible) MBITR Depot Spares Kit, PN 1100605-501 (Supports 100 radios)	1	EA			
MBITR 20M Depot Replenishment Spares Kit, PN 1100604-502 (Supports 100 radios)	1	EA			
MBITR 2M Depot Replenishment Spares Kit, PN 1100605-502 (Supports 100 radios)	1	EA			
MBITR Unit Level Ready Spares Kit, 1100606-501 (Supports 50 radios)	1	EA			
<i>Note: Composition of these kits is subject to change. Attachment J.2</i>					

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
20M Maritime Radio RT Brick, (Radio Unit Only), P/N 4101104-501	1-24	EA	<b>(b)(4)</b>		
	25-149	EA			
	150-349	EA			
	350-599	EA			
	600-999	EA			
	1000 UP	EA			
2M Urban Radio RT Brick, (Radio Unit Only), P/N 4101195-501	1-24	EA			
	25-149	EA			
	150-349	EA			
	350-599	EA			
	600-999	EA			
	1000 UP	EA			

See Table Note 3.

Table L – ENGINEERING AND TECHNICAL SUPPORT (CLIN 0011)

			12/17/04 to 3/31/05	4/1/05 to 3/31/06	4/1/06 to 3/31/07
DESCRIPTION	QTY	UNIT	UNIT PRICE	UNIT PRICE	UNIT PRICE
<b>ENGINEERING SERVICES FOR ADDITIONAL TASKS TO BE BID AS NEEDED:</b>					
			Per Hour	Per Hour	Per Hour
Principal Engineer		EA	<b>(b)(4)</b>		
Senior Engineer		EA			
Engineer		EA			
Engineer Technician		EA			
Test Engineer		EA			
Software Quality Test Engineer		EA			
Staff/Systems Engineer		EA			
Designer		EA			
Software/Hardware Configuration Support		EA			
Data Management/ILS Support		EA			
Program Manager		EA			
Engineering Project Manager		EA			
Assembler		EA			
Manufacturing Test Technician		EA			
Manufacturing Quality Inspector		EA			
Machine Shop		EA			
Model Shop		EA			
Repair Technician		EA			

Table Notes:

Note 1: Orders placed for items in CLINs 0001, 0002, and 0003 will be identified by part number.

Note 2: Peculiar Test Equipment Kit (CLIN 0005) and Training Manual (CLIN 0006) must be ordered in conjunction with first Initial Intermediate Level Maintenance Training Course (SLIN 0008AA, 0008AB, or 0008AC).

Note 3: CLIN 0009 – Composition of these kits may change without notice in order to maintain the proper ratios of components.

### **B.3 CONTRACT TYPE SUMMARY FOR PAYMENT OFFICE**

This entire contract is Firm Fixed Price.

### **B.4 EXPEDITING CONTRACT CLOSEOUT**

(a) As part of the negotiated fixed price or total estimated amount of this contract, both the Government and the Contractor have agreed to waive any entitlement that otherwise might accrue to either party in any residual dollar amount of \$500 or less at the time of final contract closeout. The term "residual dollar amount" shall include all money that would otherwise be owed to either party at the end of the contract, except that, amounts connected in any way with taxation, allegations of fraud and/or antitrust violations shall be excluded. For purposes of determining residual dollar amounts, offsets of money owed by one party against money that would otherwise be paid by that party may be considered to the extent permitted by law.

(b) This agreement to waive entitlement to residual dollar amounts has been considered by both parties. It is agreed that the administrative costs for either party associated with collecting such small dollar amounts could exceed the amount to be recovered.

## SECTION C – DESCRIPTION/SPECIFICATION/STATEMENT OF WORK

### **C.1 STATEMENT OF WORK**

General. The contractor shall provide those items shown in Paragraph B.1, Schedule of Supplies/Services and Prices/Costs, in accordance with Tables listed in Section B and the following attachments in Section J: Attachment J.1, Statement of Work (SOW) entitled "Procurement, Organic Intermediate Maintenance Establishment, and Life Cycle Support of the AN/PRC-148 Multiband Inter/Intra Team Radio (MBITR)" dated 16 December 2004; Attachment J.2, Spares Kit Lists; Attachment J.3, Tools and Test Equipment List; Attachment J.4, Warranty / CDLS List; Attachment J.5, DD254; and, as further defined herein or by Delivery Orders placed under this contract.

### **C.2 CONTRACT LINE ITEM DESCRIPTION (CLIN)**

CLIN 0001—Contractor shall provide in accordance with Table A.

CLIN 0002- Contractor shall provide in accordance with Table B.

CLIN 0003- Contractor shall provide in accordance with Table C.

CLIN 0004 – Contractor shall provide in accordance with Table D and Attachment J.4, Warranty/CDLS..

CLIN 0005 - Contractor shall provide in accordance with Table E and Attachment J.3, Tools and Test Equipment.

CLIN 0006 – Contractor shall provide in accordance with Table F and Attachment J.1, SOW.

CLIN 0007 – Contractor shall provide in accordance with Table G and Attachment J.1, SOW.

CLIN 0008 – Contractor shall provide in accordance with Table H and Attachment J.1, SOW.

CLIN 0009 – Contractor shall provide in accordance with Table I and Attachment J.1, SOW.

CLIN 0010 – Contractor shall provide in accordance with Table J and Attachment J.2, Spares Lists

CLIN 0011 – Contractor shall provide in accordance with Table K and Attachment J.1, SOW.

### **C.3 ORGANIZATIONAL CONFLICT OF INTEREST**

(a) "Organizational Conflict of Interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the Government, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage. "Person" as used herein includes Corporations, Partnerships, Joint Ventures, and other business enterprises.

(b) The Contractor warrants that to the best of its knowledge and belief, and except as otherwise set forth in the contract, the Contractor does not have any organizational conflict of interest(s) as defined in paragraph (a).

(c) It is recognized that the effort to be performed by the Contractor under this contract may create a potential organizational conflict of interest on the instant contract or on a future acquisition. In order to avoid this potential conflict of interest, and at the same time to avoid prejudicing the best interest of the Government, the right of the Contractor to participate in future procurement of equipment and/or services that are the subject of any work under this contract shall be limited as described below in accordance with the requirements of FAR 9.5.

(d) (1) The Contractor agrees that it shall not release, disclose, or use in any way that would permit or result in disclosure to any party outside the Government any information provided to the Contractor by the Government during or as a result of performance of this contract. Such information includes, but is not limited to, information submitted to the Government on a confidential basis by other persons. Further, the prohibition against release of Government provided information extends to cover such information whether or not in its original form, e.g., where the information has been included in Contractor generated work or where it is discernible from materials incorporating or based upon such information. This prohibition shall not expire after a given period of time.

(2) The Contractor agrees that it shall not release, disclose, or use in any way that would permit or result in disclosure to any party outside the Government any information generated or derived during or as a result of performance of this contract. This prohibition shall expire after a period of three years after completion of performance of this contract.

(3) The prohibitions contained in subparagraphs (d)(1) and (d)(2) shall apply with equal force to any affiliate of the Contractor, any subcontractor, consultant, or employee of the Contractor, any joint venture involving the Contractor, any entity into or with which it may merge or affiliate, or any successor or assign of the Contractor. The terms of paragraph (f) of this Special Contract Requirement relating to notification shall apply to any release of information in contravention of this paragraph (d).

(e) The Contractor further agrees that, during the performance of this contract and for a period of three years after completion of performance of this contract, the Contractor, any affiliate of the Contractor, any subcontractor, consultant, or employee of the Contractor, any joint venture involving the Contractor, any entity into or with which it may subsequently merge or affiliate, or any other successor or assign of the Contractor, shall not furnish to the United States Government, either as a prime contractor or as a subcontractor, or as a consultant to a prime contractor or subcontractor, any system, component or services which is the subject of the work to be performed under this contract. This exclusion does not apply to any re-competition for those systems, components or services furnished pursuant to this contract. As provided in FAR 9.505-2, if the Government procures the system, component, or services on the basis of work statements growing out of the effort performed under this contract, from a source other than the contractor, subcontractor, affiliate, or assign of either, during the course of performance of this contract or before the three year period following completion of this contract has lapsed, the Contractor may, with the authorization of the cognizant Contracting Officer, participate in a subsequent procurement for the same system, component, or service. In other words, the Contractor may be authorized to compete for procurement(s) for systems, components or services subsequent to an intervening procurement.

(f) The Contractor agrees that, if after award, it discovers an actual or potential organizational conflict of interest, it shall make immediate and full disclosure in writing to the Contracting Officer. The notification shall include a description of the actual or potential organizational conflict of interest, a description of the action which the Contractor has taken or proposes to take to avoid, mitigate, or neutralize the conflict, and any other relevant information that would assist the Contracting Officer in making a determination on this matter. Notwithstanding this notification, the Government may terminate the contract for the convenience of the Government if determined to be in the best interest of the Government.

(g) Notwithstanding paragraph (f) above, if the Contractor was aware, or should have been aware, of an organizational conflict of interest prior to the award of this contract or becomes, or should become, aware of an organizational conflict of interest after award of this contract and does not make an immediate and full disclosure in writing to the Contracting Officer, the Government may terminate this contract for default.

(h) If the Contractor takes any action prohibited by this requirement or fails to take action required by this requirement, the Government may terminate this contract for default.

(i) The Contracting Officer's decision as to the existence or nonexistence of an actual or potential organizational conflict of interest shall be final.

(j) Nothing in this requirement is intended to prohibit or preclude the Contractor from marketing or selling to the United States Government its product lines in existence on the effective date of this contract; nor, shall this requirement preclude the Contractor from participating in any research and development or delivering any design

development model or prototype of any such equipment. Additionally, sale of catalog or standard commercial items are exempt from this requirement.

(k) The Contractor shall promptly notify the Contracting Officer, in writing, if it has been tasked to evaluate or advise the Government concerning its own products or activities or those of a competitor in order to ensure proper safeguards exist to guarantee objectivity and to protect the Government's interest.

(l) The Contractor shall include this requirement in subcontracts of any tier which involve access to information or situations/conditions covered by the preceding paragraphs, substituting "subcontractor" for "contractor" where appropriate.

(m) The rights and remedies described herein shall not be exclusive and are in addition to other rights and remedies provided by law or elsewhere included in this contract.

(n) Compliance with this requirement is a material requirement of this contract.

#### **C.4 ACCESS TO PROPRIETARY DATA OR COMPUTER SOFTWARE**

(a) Performance under this contract may require that the Contractor have access to technical data, computer software, or other sensitive data of another party who asserts that such data or software is proprietary. If access to such data or software is required or to be provided, the Contractor shall enter into a written agreement with such party prior to gaining access to such data or software. The agreement shall address, at a minimum, (1) access to, and use of, the proprietary data or software exclusively for the purposes of performance of the work required by this contract, and (2) safeguards to protect such data or software from unauthorized use or disclosure for so long as the data or software remains proprietary. In addition, the agreement shall not impose any limitation upon the Government or its employees with respect to such data or software. A copy of the executed agreement shall be provided to the Contracting Officer. The Government may unilaterally modify the contract to list those third parties with which the Contractor has agreement(s).

(b) The Contractor agrees to: (1) indoctrinate its personnel who will have access to the data or software as to the restrictions under which access is granted; (2) not disclose the data or software to another party or other Contractor personnel except as authorized by the Contracting Officer; (3) not engage in any other action, venture, or employment wherein this information will be used, other than under this contract, in any manner inconsistent with the spirit and intent of this requirement; (4) not disclose the data or software to any other party, including, but not limited to, joint venture, affiliate, successor, or assign of the Contractor; and (5) reproduce the restrictive stamp, marking, or legend on each use of the data or software whether in whole or in part.

(c) The restrictions on use and disclosure of the data and software described above also apply to such information received from the Government through any means to which the Contractor has access in the performance of this contract that contains proprietary or other restrictive markings.

(d) The Contractor agrees that it will promptly notify the Contracting Officer of any attempt by an individual, company, or Government representative not directly involved in the effort to be performed under this contract to gain access to such proprietary information. Such notification shall include the name and organization of the individual, company, or Government representative seeking access to such information.

(e) The Contractor shall include this requirement in subcontracts of any tier which involve access to information covered by paragraph (a), substituting "subcontractor" for "Contractor" where appropriate.

(f) Compliance with this requirement is a material requirement of this contract.

#### **C.5 USE OF MARINE CORPS SUPPORT CONTRACTORS FOR OFFICIAL CONTRACT FILES**

(a) MARCORSSYSCOM may use a file room management support contractor, hereinafter referred to as "the support contractor", to manage its file room, in which all official contract files, including the official file supporting this

procurement, are retained. These official files may contain information that is considered a trade secret, proprietary, business sensitive or otherwise protected pursuant to law or regulation, hereinafter referred to as "protected information". File room management services consist of any of the following: secretarial or clerical support; data entry; document reproduction, scanning, imaging, or destruction; operation, management, or maintenance of paper-based or electronic mail rooms, file rooms, or libraries; and supervision in connection with functions listed herein.

(b) The cognizant Contracting Officer will ensure that any MARCORSYSCOM contract under which these file room management services are acquired will contain a requirement that:

(1) The support contractor not disclose any information;

(2) Individual employees are to be instructed by the support contractor regarding the sensitivity of the official contract files;

(3) The support contractor performing these services be barred from providing any other supplies and/or services, or competing to do so, to MARCORSYSCOM for the period of performance of its contract and for an additional three years thereafter unless otherwise provided by law or regulation; and,

(4) In addition to any other rights the contractor may have, it is a third party beneficiary who has the right of direct action against the support contractor, or any person to whom the support contractor has released or disclosed protected information, for the unauthorized duplication, release, or disclosure of such protected information.

(c) Execution of this contract by the contractor is considered consent to MARCORSYSCOM's permitting access to any information, irrespective of restrictive markings or the nature of the information submitted, by its file room management support contractor for the limited purpose of executing its file room support contract responsibilities.

(d) MARCORSYSCOM may, without further notice, enter into contracts with other contractors for these services. Contractors are free to enter into separate non-disclosure agreements with the file room contractor. However, any such agreement will not be considered a prerequisite before information submitted is stored in the file room or otherwise encumber the government.

## SECTION D – PACKAGING AND MARKING

### **D.1 PREPARATION FOR DELIVERY**

All supplies/deliverables ordered hereunder shall be prepared, packaged, and marked in accordance with best commercial practice to ensure safe delivery at destination.

CLIN 0001, 0002, 0003, 0005, 0006, 0009, 0010 – The supplies furnished hereunder shall be packaged in accordance with best commercial practice and as further defined in the Delivery Orders placed under this contract.

CLIN 0004, 0007, 0008, 0011 – Packaging and marking are not applicable to these items.

### **D.2 MARKING INSTRUCTIONS**

All reports/supplies/deliverables shall prominently show the following information:

THALES COMMUNICATIONS, INC.  
CONTRACT NUMBER M67854-05-D-7013  
SPONSOR  
COMMANDER  
MARINE CORPS SYSTEMS COMMAND  
CODE PMM-122  
QUANTICO, VA 22134-6050

### **D.3 CLASSIFIED DATA**

Classified reports, data and documentation, if applicable, shall be prepared for shipment in accordance with the National Industrial Security Program Operating Manual (NISPOM) DOD 5220.22M dated January 1995, Change 1, 31 July 1997, Change 2 dated 1 May 2000, when applicable, NISPOM Supplement 1 dated February 1995, and in accordance with Attachment J.5, DD 254

## SECTION E – INSPECTION AND ACCEPTANCE

### **E.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far/> or <http://farsite.hill.af.mil/>

Federal Acquisition Regulation (48 CFR Chapter 1) (Clauses/Provisions); clauses preceded by a '2' refer to Defense Federal Acquisition Regulation (DFAR) Supplemental clauses:

52.246-2	Inspection of Supplies - Fixed Price (Aug 1996)
52.246-4	Inspection of Services - Fixed Price (Aug 1996)
52.246-16	Responsibility for Supplies (Apr 1984)
252.246-7000	Material Inspection and Receiving Report (Mar 2003)

### **E.2 INSPECTION AND ACCEPTANCE**

Inspection and acceptance of work performed under this contract will be conducted by the Contracting Officer's Representative (COR), or his/her authorized Government representative, as follows:

CLIN 0001, 0002, 0003, and 0010 – Inspection and acceptance shall be at origin or as further defined in the Delivery Orders placed under this contract.

CLIN 0004, 0005, 0006, 0007, 0008, 0009, and 0011 – Inspection and acceptance shall be at the destination or as further defined in the Delivery Orders placed under this contract.

## SECTION F – DELIVERIES OR PERFORMANCE

### **F.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far/> or <http://farsite.hill.af.mil/>

Federal Acquisition Regulation (48 CFR Chapter 1) (Clauses/Provisions); clauses preceded by a '2' refer to Defense Federal Acquisition Regulation (DFAR) Supplemental clauses:

52.242-15	Stop-Work Order (Aug 1989) (Paragraph (a) – Insert 60 days)
52.242-17	Government Delay of Work (Apr 1984)
52.247-29	F.O.B. Origin (Jun 1988)
52.247-34	F.O.B. Destination (Nov 1991)

### **F.2 DELIVERY**

CLIN 0001, 0002, 0003, and 0010 – All supplies/services hereunder shall be delivered F.O.B. Origin or as further defined in the Delivery Orders placed under this contract.

CLIN 0004, 0005, 0006, 0007, 0008, 0009, and 0011 – All supplies/services hereunder shall be delivered F.O.B. Destination or as further defined in the Delivery Orders placed under this contract.

### **F.3 PERIOD OF PERFORMANCE**

The period of performance for this contract shall be for the period of three (3) years from the Date of Award of Contract (DAC).

### **F.4 PLACE OF PERFORMANCE**

Contract performance shall take place at 22605 GATEWAY CENTER DRIVE, CLARKSBURG, MD 20871.

**SECTION G – CONTRACT ADMINISTRATION DATA**

**G.1 POST-AWARD ORIENTATION CONFERENCE**

No formal Post Award Conference is required; however, ambiguities or uncertainties regarding the responsibilities or obligations of either party shall be addressed to the Purchasing Office Representative shown in paragraph G.5 as soon as practical. This provision shall in no event constitute grounds for excusable delay by the Contractor in performance of any provision of the contract.

**G.2 PAYING OFFICE**

The paying office for this contract is:

DoDAAC: M67443  
  
DFAS - COLUMBUS  
P.O. BOX 369022  
ATTN: KANSAS  
COLUMBUS, OH 43236-9022

**G.3 CONTRACT ADMINISTRATION**

Contract Administration for this contract will be under the cognizance of:

DoDAAC: M67854  
  
COMMANDER  
MARINE CORPS SYSTEMS COMMAND  
ATTN M CATHERINE RICHMOND PG12 02CR  
2200 LESTER STREET  
QUANTICO, VA 22134-6050

**G.4 PURCHASING OFFICE REPRESENTATIVE**

The Procuring Office Representative for this procurement is:

MS. M. CATHERINE RICHMOND	and	MS. SARAH H. WARD
Voice (703) 432-4280		Voice (703) 432-4257
FAX (703) 432-3549		Fax (703) 432-3549
<a href="mailto:catherine.richmond@usmc.mil">catherine.richmond@usmc.mil</a>		<a href="mailto:sarah.h.ward@usmc.mil">sarah.h.ward@usmc.mil</a>

FedEx or equivalent carrier address:

COMMANDING GENERAL  
MARCORSYSCOM (PG12-02CR)  
ATTN: MATERIEL MANAGEMENT  
2201A WILLIS STREET  
QUANTICO, VA 22134-6050

COMMANDING GENERAL  
MARCORSYSCOM (PG12-02SW)  
ATTN: MATERIEL MANAGEMENT  
2201A WILLIS STREET  
QUANTICO, VA 22134-6050

United States Postal Service address:

COMMANDING GENERAL  
MARCORSYSCOM (PG12-02CR)  
ATTN: MS. M CATHERINE RICHMOND  
2200 LESTER STREET  
QUANTICO, VA 22134-6050

COMMANDING GENERAL  
MARCORSYSCOM (PG12-02SW)  
ATTN: MS. SARAH H. WARD  
2200 LESTER STREET  
QUANTICO, VA 22134-6050

## G.5 CONTRACTING OFFICER'S REPRESENTATIVE (COR)

The Contracting Officer's Representative for the procurement is

MGYSGT MARC MORIN  
Voice (703) 432-4343  
FAX (703) 432-3549  
[Marc.morin@usmc.mil](mailto:Marc.morin@usmc.mil)

FedEx or equivalent carrier address:

COMMANDING GENERAL  
MARCORSYSCOM (MAGTFC4ISR)  
ATTN: PM COMM, MGYSGT MARC MORIN  
2201A WILLIS STREET  
QUANTICO, VA 22134-6050

Unites States Postal Service address:

COMMANDING GENERAL  
MARCORSYSCOM (MAGTFC4ISR)  
ATTN: PM COMM, MGYSGT MARC MORIN  
2200 LESTER STREET  
QUANTICO, VA 22134-6050

## G.6 ACCOUNTING CLASSIFICATION REFERENCE NUMBER (ACRN)

The Accounting Classification Reference Number (ACRN) is the double letter prefix to the long line accounting classification citation number contained in the accounting data sheet attached to the contract, or listed below. It is used as a method for tracking expenditures against individual contract line items. In instances where multiple long line accounting classification numbers are applicable to single line items, each will be prefixed by a separate ACRN. Each line item, sub-line item, task and subtask listed in the schedule or SOW shall have an accounting classification reference number assigned at the time of award or upon issuance of the task or delivery order.

## G.7 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS

Submit invoice(s) in accordance with the following:

In compliance with DFARS 252.232-7003, "Electronic Submission of Payment Requests (January 2004)", the United States Marine Corps (USMC) utilizes WAWF-RA to electronically process vendor requests for payment and prepare receiving reports. The Contractor shall be required to utilize this system when submitting payment requests/invoices under this order/contract unless the provision at DFARS 252.232-7003(c) applies. The Contractor shall register to use WAWF-RA at <https://rmb.ogden.disa.mil> and ensure an Electronic Business Point of Contact is designated in the Central Contractor Registration at <http://www.ccr.gov> within ten (10) days after award of this order/contract. If you need help in WAWF please call the Customer Support at 1 866 618 5988. The USMC WAWF-RA points of contact for this order/contract is Sarah Ward and can be reached at 703-432-4257 and e-mail [sarah.h.ward@usmc.mil](mailto:sarah.h.ward@usmc.mil)

Data entry information for WAWF:

Payment Office DoDAAC: M67443

Issue By DoDAAC: M67854

Admin Office DoDAAC: M67854

Ship to Supply: M67854

Service Acceptor DoDAAC: M67854 Extension PG12

Contract Number: M6785405D7013 Delivery Order \_\_\_\_\_

Additional email notification of invoices:

COR / PO: [Marc.morin@usmc.mil](mailto:Marc.morin@usmc.mil)  
[Sarah.h.ward@usmc.mil](mailto:Sarah.h.ward@usmc.mil)

**G.8 CLAUSE IN FULL TEXT**

**252.232-7003 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS (JAN 2004)**

(a) *Definitions.* As used in this clause-

(1) "Contract financing payment" and "invoice payment" have the meanings given in section 32.001 of the Federal Acquisition Regulation.

(2) "Electronic form" means any automated system that transmits information electronically from the initiating system to all affected systems. Facsimile, e-mail, and scanned documents are not acceptable electronic forms for submission of payment requests. However, scanned documents are acceptable when they are part of a submission of a payment request made using one of the electronic forms provided for in paragraph (b) of this clause.

(3) "Payment request" means any request for contract financing payment or invoice payment submitted by the Contractor under this contract.

(b) Except as provided in paragraph (c) of this clause, the Contractor shall submit payment requests using one of the following electronic forms:

(1) Wide Area WorkFlow-Receipt and Acceptance (WAWF-RA). Information regarding WAWF-RA is available on the Internet at <https://wawf.eb.mil> <<https://rmb.ogden.disa.mil>>.

(2) Web Invoicing System (WInS). Information regarding WInS is available on the Internet at <<https://ecweb.dfas.mil>>.

(3) American National Standards Institute (ANSI) X.12 electronic data interchange (EDI) formats.

(i) Information regarding EDI formats is available on the Internet at <<http://www.X12.org>>.

(ii) EDI implementation guides are available on the Internet at <<http://www.dfas.mil/ecedi>>.

(4) Another electronic form authorized by the Contracting Officer.

(c) If the Contractor is unable to submit a payment request in electronic form, or DoD is unable to receive a payment request in electronic form, the Contractor shall submit the payment request using a method mutually agreed to by the Contractor, the Contracting Officer, the contract administration office, and the payment office.

(d) In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payment requests.

(End of Clause)

## SECTION H – SPECIAL CONTRACT REQUIREMENTS

### **H.1 CONSTRUCTIVE CHANGE ORDERS**

No order, statement, or conduct of Government personnel who might visit the contractor's facility or in any other manner communicate with contractor personnel during the performance of this contract shall constitute a change under the "Changes" clause of this contract.

No understanding or agreement, contract modification, change order, or other matter deviating from or constituting an alteration or change of the terms of the contract shall be effective or binding upon the Government unless formalized by contractual documents executed by the Contracting Officer.

The Contracting Officer is the only person authorized to approve changes in any of the requirements of this contract and, notwithstanding provisions contained elsewhere in the contract, the said authority remains solely with the Contracting Officer. In the event that the contractor effects any change at the direction of any person other than the Contracting Officer, the change will be considered to have been made without authority at the contractor's expense, and no adjustment shall be made in the contract price or other contract terms and conditions as consideration for the aforementioned unauthorized change. Further, should the unauthorized change be to the Government's detriment, the contractor may be held financially responsible for its correction.

### **H.2 CONTRACTOR NOTICE REGARDING LATE DELIVERY**

In the event the Contractor for any reason anticipates or encounters difficulty in complying with the contract delivery schedule or in meeting any of the other requirements of the contract, it shall immediately notify the Contracting Officer in writing, with a copy to the cognizant Contract Administration Officer, if assigned, giving pertinent details. However, this data shall be considered informational only in character and receipt by the Government shall not be construed as a waiver by the Government of (a) any delivery schedule or date, or (b) compliance with any other contract requirement by the Contractor, or (c) any other rights or remedies provided to the Government by law or under this contract.

### **H.3 INCORPORATION OF REPRESENTATIONS AND CERTIFICATIONS BY REFERENCE**

All representations and certifications and other written statements made by the contractor in response to SECTION K of the solicitation or at the request of the Contracting Officer, incident to the award of the contract or modification of this contract, are hereby incorporated by reference with the same force and effect as if they were given in full text.

### **H.4 RESPONSIBILITY IN SUBCONTRACTING**

The contractor shall provide the technology processes, test procedures, data, drawings, and/or other information required to facilitate competition to the fullest extent feasible, and assure performance by selected subcontractors. The contractor will be fully responsible for assuring that all appropriate contractual provisions and clauses are passed down to its subcontractors, and that those provisions are enforced.

## SECTION I – CONTRACT CLAUSES

### **L1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far/> or <http://farsite.hill.af.mil/>

Federal Acquisition Regulation (48 CFR Chapter 1) (Clauses/Provisions); clauses preceded by a '2' refer to Defense Federal Acquisition Regulation (DFAR) Supplemental clauses:

52.202-1	Definitions (Dec 2001)
52.203-3	Gratuities (Apr 1984)
52.203-5	Covenant Against Contingent Fees (Apr 1984)
52.203-6	Restrictions on Subcontractor Sales to the Government (Jul 1995)
52.203-7	Anti-Kickback Procedures (Jul 1995)
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (Jan 1997)
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity (Jan 1997)
52.203-12	Limitation on Payments to Influence Certain Federal Transactions (Jun 1997)
52.204-2	Security Requirements (Aug 1996)
52.204-4	Printed/Copied Double-Sided on Recycled Paper (Aug 2000)
52.204-7	Central Contractor Registration (Oct 2003)
52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Jul 1995)
52.215-2	Audit and Records--Negotiation (Jun 1999)
52.215-8	Order of Precedence--Uniform Contract Format (Oct 1997)
52.215-10	Price Reduction for Defective Cost or Pricing Data (Oct 1997)
52.215-11	Price Reduction for Defective Cost or Pricing Data--Modifications (Oct 1997)
52.215-12	Subcontractor Cost or Pricing Data (Oct 1997)
52.215-13	Subcontractor Cost or Pricing Data--Modifications (Oct 1997)
52.215-14	Integrity of Unit Prices (Oct 1997) Alt I (Oct 1997)
52.215-15	Pension Adjustments and Asset Reversions (Dec 1998)
52.215-18	Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other than Pensions (Oct 1997)
52.216-7	Allowable Cost and Payment (Dec 2002)
52.219-8	Utilization of Small Business Concerns (Oct 2000)
52.222-2	Payment of Overtime Premiums (Jul 1990) (Paragraph (a) - Insert ZERO)
52.222-3	Convict Labor (Aug 1996)
52.222-20	Walsh-Healey Public Contracts Act (Dec 1996)
52.222-21	Prohibition of Segregated Facilities (Feb 1999)
52.222-26	Equal Opportunity (Apr 2002)
52.222-35	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (Dec 2001)
52.222-36	Affirmative Action for Workers with Disabilities (Jun 1998)
52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (Dec 2001)
52.223-6	Drug-Free Workplace (May 2001)
52.225-8	Duty-Free Entry (Feb 2000)
52.225-13	Restrictions on Certain Foreign Purchases (Jul 2000)
52.227-1	Authorization and Consent (Jul 1995) and Alt. (Apr 1984)
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement (Aug 1996)
52.227-9	Refund of Royalties (Apr 1984)
52.227-10	Filing of Patent Applications--Classified Subject Matter (Apr 1984)
52.227-14	Rights in Data--General (Jun 1987)
52.228-7	Insurance -Liability to Third Persons (Mar 1996)
52.229-3	Federal, State, and Local Taxes (Apr 2003)

52.232-1 Payments (Apr 1984)  
 52.232-8 Discounts for Prompt Payment (Feb 2002)  
 52.232-9 Limitation on Withholding of Payments (Apr 1984)  
 52.232-11 Extras (Apr 1984)  
 52.232-17 Interest (Jun 1996)  
 52.232-18 Availability of Funds (Apr 1984)  
 52.232-20 Limitation of Cost (Apr 1984)  
 52.232-22 Limitation of Funds (Apr 1984)  
 52.232-23 Assignment of Claims (Jan 1986)  
 52.232-25 Prompt Payment (Oct 2003)  
 52.232-33 Payment By Electronic Funds Transfer--Central Contractor Registration (May 1999)  
 52.233-1 Disputes (Jul 2002)  
 52.233-3 Protest After Award (Aug 1996) Alt I (Jun 1985)  
 52.237-3 Continuity of Services (Jan 1991)  
 52.239-1 Privacy or Security Safeguards (Aug 1996)  
 52.242-1 Notice of Intent to Disallow Costs (Apr 1984)  
 52.242-3 Penalties for Unallowable Costs (Mar 2001)  
 52.242-4 Certification of Final Indirect Costs (Jan 1997)  
 52.242-13 Bankruptcy (Jul 1995)  
 52.243-1 Changes - Fixed Price (Aug 1987) Alt II (Apr 1984)  
 52.244-2 Subcontracts (Aug 1998)  
 52.244-5 Competition in Subcontracting (Dec 1996)  
 52.245-18 Special Test Equipment (Feb 1993)  
 52.245-19 Government Property Furnished "As Is"(Apr 1984)  
 52.246-23 Limitation of Liability (Feb 1997)  
 52.246-25 Limitation of Liability--Services (Feb 1997)  
 52.247-63 Preference for U.S. Flag Air Carriers (Jan 1997)  
 52.248-1 Value Engineering (Feb 2000)  
 52.249-2 Termination for Convenience of the Government (Fixed Price) (Sep 1996)  
 52.249-8 Default (Fixed-Price Supply and Service) (Apr 1984)  
 52.249-14 Excusable Delays (Apr 1984)  
 52.251-1 Government Supply Sources (Apr 1984)  
 52.253-1 Computer Generated Forms (Jan 1991)

252.201-7000 Contracting Officer's Representative (Dec 1991)  
 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (Mar 1999)

252.203-7002 Display of DoD Hotline Poster (Dec 1991)  
 252.204-7000 Disclosure of Information (Dec 1991)  
 252-204-7002 Payment for Subline Items Not Separately Priced (Dec 1991)  
 252.204-7003 Control of Government Personnel Work Product (Apr 1992)  
 252.204-7004 Alternate A (Nov 2003)  
 252.204-7005 Oral Attestation of Security Responsibilities (Nov 2001)  
 252.205-7000 Provision of Information to Cooperative Agreement Holders (Dec 1991)  
 252.209-7000 Acquisition from Subcontractors Subject to the on-Site Inspection Under the Intermediate-Range Nuclear Forces (INF) Treaty (Nov 1995)

252.209-7002 Disclosure of Ownership or Control By a Foreign Government (Sep 1994)  
 252.209-7004 Subcontracting with Firms That Are Owned or Controlled By the Government of a Terrorist Country (Mar 1998)

252.211-7000 Acquisition Streamlining (Dec 1991)  
 252.215-7000 Pricing Adjustment (Dec 1991)  
 252.215-7002 Cost Estimating System Requirements (Oct 1998)  
 252.223-7001 Hazard Warning Labels (Dec 1991)  
 252.223-7004 Drug-Free Work Force (Sep 1988)  
 252.225-7001 Buy American Act and Balance of Payments Program (Apr 2003)  
 252.225-7002 Qualifying Country Sources As Subcontractors (Apr 2003)  
 252.225-7012 Preference for Certain Domestic Commodities (Jun 2004)

252.225-7013	Duty-Free Entry (Jan 2004)
252.225-7014	Preference for Domestic Specialty Metals (Apr 2003) Alt I (Apr 2003)
252.225-7015	Restriction on Acquisition of hand or measuring tools (Apr 2003)
252.225-7016	Restriction on Acquisition of Ball or Roller Bearings (May 2004)
252.225-7031	Secondary Arab Boycott of Israel (Apr 2003)
252.227-7013	Rights in Technical Data--Noncommercial Items (Nov 1995)
252.227-7014	Rights in Noncommercial Computer Software and Non-Commercial Computer Software Documentation (Jun 1995)
252.227-7016	Rights in Bid or Proposal Information (Jun 1995)
252.227-7019	Validation of Asserted Restrictions--Computer Software (Jun 1995)
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (Jun 1995)
252.227-7026	Deferred Delivery of Technical Data or Computer Software (Apr 1988)
252.227-7027	Deferred Ordering of Technical Data or Computer Software (Apr 1988)
252.227-7030	Technical Data-- Withholding of Payment (Mar 2000)
252.227-7037	Validation of Restrictive Markings on Technical Data (Sep 1999)
252.231-7000	Supplemental Cost Principles (Dec 1991)
252.232-7003	Electronic Submission of Payment Requests (Jan 2004)
252.235-7010	Acknowledgment of Support and Disclaimer (May 1995)
252.243-7001	Pricing of Contract Modifications (Dec 1991)
252.243-7002	Requests for Equitable Adjustments (Mar 1998)
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (Mar 2000)
252.245-7001	Reports of Government Property (May 1994)
252.245-7000	Material Inspection and Receiving Report (Mar 2003)
252.246-7001	Warranty of Data (Dec 1991) and Alt II (Dec 1991)
252.247-7024	Notification of Transportation of Supplies by Sea (Mar 2000)

## 1.2 CLAUSES INCORPORATED IN FULL TEXT

### FAR 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997)

(a) The Contractor shall make the following notification in writing:

(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.

(2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall—

(1) Maintain current, accurate, and complete inventory records of assets and their costs;

(2) Provide the ACO or designated representative ready access to the records upon request;

(3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and

(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

**FAR 52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA--MODIFICATIONS (OCT 1997)**

(a) Exceptions from cost or pricing data.

(1) In lieu of submitting cost or pricing data for modifications under this contract, for price adjustments expected to exceed the threshold set forth in FAR 15.403-4 on the date of the agreement on price or the date of the award, whichever is later, the Contractor may submit a written request for exception by submitting the information described in the following subparagraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable--

(i) Identification of the law or regulation establishing the price offered. If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document unless it was previously submitted to the contracting office.

(ii) Information on modifications of contracts or subcontracts for commercial items.

(A) If--

(1) The original contract or subcontract was granted an exception from cost or pricing data requirements because the price agreed upon was based on adequate price competition, or prices set by law or regulation, or was a contract or subcontract for the acquisition of a commercial item, and

(2) The modification (to the contract or subcontract) is not exempted based on one of these exceptions, then the Contractor may provide information to establish that the modification would not change the contract or subcontract from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of an item other than a commercial item.

(B) For a commercial item exception, the Contractor may provide, at a minimum, information on prices at which the same item or similar items have been sold that is adequate for evaluating the reasonableness of the price of the modification. Such information may include--

(1) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities.

(2) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market.

(3) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

(2) The Contractor grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this clause, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the Contractor's determination of the prices to be offered in the catalog or marketplace.

(b) Requirements for cost or pricing data. If the Contractor is not granted an exception from the requirement to submit cost or pricing data, the following applies:

(1) The Contractor shall submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions), the Contractor shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from Contract Award through Five (5) Years After Contract Award.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally or by written telecommunications only if authorized in the Schedule.

#### FAR 52.216-19 ORDER LIMITATIONS (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than (no minimum), the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor--

(1) Any order for a single item in excess of \*\*; or

(2) Any order for a combination of items in excess of \*\*; of

(3) A series of orders from the same ordering office within \*\* days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

\*\* No maximum.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if this requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within fifteen (15) days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

#### FAR 52.216-22 INDEFINITE QUANTITY (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies and services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum". The Government shall order at least the quantity of supplies and services designated as the "minimum".

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after 30 October 2009.

(4) In the event the Contractor's notice information is inadequate to make a decision under (1), (2) or (3) above, advise the Contractor that additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) Equitable adjustments. (1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made--

- (i) In the contract price or delivery schedule or both; and
- (ii) In such other provisions of the contract as may be affected.

(2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably should have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in (b) and (c) above.

**FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS  
(MAY 2002)**

a) *Definitions.* As used in this clause--

"Commercial item" has the meaning contained in the clause at 52.202-1, Definitions.

"Subcontract" includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

(c)

(1) The Contractor shall insert the following clauses in subcontracts for commercial items:

(i) 52.219-8, Utilization of Small Business Concerns (Oct 200) (15 U.S.C. 637(d)(2)(3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceed \$500,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(ii) 52.222-26, Equal Opportunity (Apr 2002) (E.O. 11246).

(iii) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212(a));

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (Jun 1998) (29 U.S.C. 793).

(v) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Jun 2000) (46 U.S.C. Appx 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

(2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

FAR 52.243-7 NOTIFICATION OF CHANGES (APR 1984)

(a) Definitions. "Contracting Officer", as used in this clause, does not include any representative of the Contracting Officer. "Specifically authorized representative (SAR)" as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to the Contractor) which shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) Notice. The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify the Administrative Contracting Officer in writing promptly, within 15 calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice shall state—

- (1) the date, nature, and circumstances of the conduct regarded as a change;
- (2) the name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;
- (3) the identification of any documents and the substance of any oral communication involved in such conduct;
- (4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;
- (5) the particular elements of contract performance for which the Contractor may seek an equitable adjustment under this clause, including--
  - (i) What contract line items have been or may be affected by the alleged change;
  - (ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;
  - (iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;
  - (iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and
- (6) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) Continued performance. Following submission of the notice required by (b) above, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance; provided, however, that if the Contractor regards the direction or communication as a change as described in (b) above, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing promptly and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall promptly countermand any action which exceeds the authority of the SAR.

(d) Government response. The Contracting Officer shall promptly, within 15 calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either—

- (1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;
- (2) Countermand any communication regarded as a change;
- (3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or

DFARS 252.232-7003 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS (MAR 2003)

(a) *Definitions.* As used in this clause-

(1) "Contract financing payment" and "invoice payment" have the meanings given in section 32.001 of the Federal Acquisition Regulation.

(2) "Electronic form" means any automated system that transmits information electronically from the initiating system to all affected systems. Facsimile, e-mail, and scanned documents are not acceptable electronic forms.

(3) "Payment request" means any request for contract financing payment or invoice payment submitted by the Contractor under this contract.

(b) Except as provided in paragraph (c) of this clause, the Contractor shall submit payment requests using one of the following electronic forms:

(1) Wide Area WorkFlow-Receipt and Acceptance (WAWF-RA). Information regarding WAWF-RA is available on the Internet at <https://rmb.ogden.disa.mil>.

(2) Web Invoicing System (WInS). Information regarding WInS is available on the Internet at <https://ecweb.dfas.mil>.

(3) American National Standards Institute (ANSI) X.12 electronic data interchange (EDI) formats.

(i) Information regarding EDI formats is available on the Internet at <http://www.X12.org>.

(ii) EDI implementation guides are available on the Internet at <http://www.dfas.mil/ecedi>.

(4) Another electronic form authorized by the Contracting Officer.

(c) If the Contractor is unable to submit a payment request in electronic form, or DoD is unable to receive a payment request in electronic form, the Contractor shall submit the payment request using a method mutually agreed to by the Contractor, the Contracting Officer, and the payment office.

(d) In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payment requests.

(End of clause)

DFARS 252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (FEB 2003)

a) *Definition.* "SPI process," as used in this clause, means a management or manufacturing process that has been accepted previously by the Department of Defense under the Single Process Initiative (SPI) for use in lieu of a specific military or Federal specification or standard at specific facilities. Under SPI, these processes are reviewed and accepted by a Management Council, which includes representatives of the Contractor, the Defense Contract Management Agency, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI processes in lieu of military or Federal specifications and standards cited in the solicitation. A listing of SPI processes accepted at specific facilities is available via the Internet in Excel format at <http://www.dcma.mil/onebook/7.0/7.2/7.2.6/reports/modified.xls>.

(c) An offeror proposing to use an SPI process in lieu of military or Federal specifications or standards cited in the solicitation shall-

- (1) Identify the specific military or Federal specification or standard for which the SPI process has been accepted;
  - (2) Identify each facility at which the offeror proposes to use the specific SPI process in lieu of military or Federal specifications or standards cited in the solicitation;
  - (3) Identify the contract line items, subline items, components, or elements affected by the SPI process; and
  - (4) If the proposed SPI process has been accepted at the facility at which it is proposed for use, but is not yet listed at the Internet site specified in paragraph (b) of this clause, submit documentation of Department of Defense acceptance of the SPI process.
- (d) Absent a determination that an SPI process is not acceptable for this procurement, the Contractor shall use the following SPI processes in lieu of military or Federal specifications or standards:

*(Offeror insert information for each SPI process)*

SPI Process:

Facility:

Military or Federal Specification or  
Standard:

Affected Contract Line Item Number,  
Subline Item Number, Component, or  
Element:

(e) If a prospective offeror wishes to obtain, prior to the time specified for receipt of offers, verification that an SPI process is an acceptable replacement for military or Federal specifications or standards required by the solicitation, the prospective offeror-

- (1) May submit the information required by paragraph (d) of this clause to the Contracting Officer prior to submission of an offer; but
- (2) Must submit the information to the Contracting Officer at least 10 working days prior to the date specified for receipt of offers.

**DFARS 252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAY 2002)**

(a) *Definitions.* As used in this clause-

(1) "Components" means articles, materials, and supplies incorporated directly into end products at any level of manufacture, fabrication, or assembly by the Contractor or any subcontractor.

(2) "Department of Defense" (DoD) means the Army, Navy, Air Force, Marine Corps, and defense agencies.

(3) "Foreign flag vessel" means any vessel that is not a U.S.-flag vessel.

(4) "Ocean transportation" means any transportation aboard a ship, vessel, boat, barge, or ferry through international waters.

(5) "Subcontractor" means a supplier, materialman, distributor, or vendor at any level below the prime contractor whose contractual obligation to perform results from, or is conditioned upon, award of the prime contract and who is performing any part of the work or other requirement of the prime contract.

(6) "Supplies" means all property, except land and interests in land, that is clearly identifiable for eventual use by or owned by the DoD at the time of transportation by sea.

(i) An item is clearly identifiable for eventual use by the DoD if, for example, the contract documentation contains a reference to a DoD contract number or a military destination.

(ii) "Supplies" includes (but is not limited to) public works; buildings and facilities; ships; floating equipment and vessels of every character, type, and description, with parts, subassemblies, accessories, and equipment; machine tools; material; equipment; stores of all kinds; end items; construction materials; and components of the foregoing.

(7) "U.S.-flag vessel" means a vessel of the United States or belonging to the United States, including any vessel registered or having national status under the laws of the United States.

(b)(1) The Contractor shall use U.S.-flag vessels when transporting any supplies by sea under this contract.

(2) A subcontractor transporting supplies by sea under this contract shall use U.S.-flag vessels if-

(i) This contract is a construction contract; or

(ii) The supplies being transported are-

(A) Noncommercial items; or

(B) Commercial items that-

(1) The Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to items that it subcontracts for f.o.b. destination shipment);

(2) Are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or

(3) Are commissary or exchange cargoes transported outside of the Defense Transportation System in accordance with 10 U.S.C. 2643.

(c) The Contractor and its subcontractors may request that the Contracting Officer authorize shipment in foreign-flag vessels, or designate available U.S.-flag vessels, if the Contractor or a subcontractor believes that-

(1) U.S.-flag vessels are not available for timely shipment;

(2) The freight charges are inordinately excessive or unreasonable; or

(3) Freight charges are higher than charges to private persons for transportation of like goods.

(d) The Contractor must submit any request for use of other than U.S.-flag vessels in writing to the Contracting Officer at least 45 days prior to the sailing date necessary to meet its delivery schedules. The Contracting Officer will process requests submitted after such date(s) as expeditiously as possible, but the Contracting Officer's failure to grant approvals to meet the shipper's sailing date will not of itself constitute a compensable delay under this or any other clause of this contract. Requests shall contain at a minimum-

(1) Type, weight, and cube of cargo;

(2) Required shipping date;

(3) Special handling and discharge requirements;

(4) Loading and discharge points;

(5) Name of shipper and consignee;

(6) Prime contract number; and

(7) A documented description of efforts made to secure U.S.-flag vessels, including points of contact (with names and telephone numbers) with at least two U.S.-flag carriers contacted. Copies of telephone notes, telegraphic and facsimile message or letters will be sufficient for this purpose.

(e) The Contractor shall, within 30 days after each shipment covered by this clause, provide the Contracting Officer and the Maritime Administration, Office of Cargo Preference, U.S. Department of Transportation, 400 Seventh Street SW, Washington, DC 20590, one copy of the rated on board vessel operating carrier's ocean bill of lading, which shall contain the following information:

- (1) Prime contract number;
- (2) Name of vessel;
- (3) Vessel flag of registry;
- (4) Date of loading;
- (5) Port of loading;
- (6) Port of final discharge;
- (7) Description of commodity;
- (8) Gross weight in pounds and cubic feet if available;
- (9) Total ocean freight in U.S. dollars; and
- (10) Name of steamship company.

(f) The Contractor shall provide with its final invoice under this contract a representation that to the best of its knowledge and belief-

- (1) No ocean transportation was used in the performance of this contract;
- (2) Ocean transportation was used and only U.S.-flag vessels were used for all ocean shipments under the contract;
- (3) Ocean transportation was used, and the Contractor had the written consent of the Contracting Officer for all non-U.S.-flag ocean transportation; or
- (4) Ocean transportation was used and some or all of the shipments were made on non-U.S.-flag vessels without the written consent of the Contracting Officer. The Contractor shall describe these shipments in the following format:

	ITEM DESCRIPTION	CONTRACT LINE ITEMS	QUANTITY
TOTAL			

(g) If the final invoice does not include the required representation, the Government will reject and return it to the Contractor as an improper invoice for the purposes of the Prompt Payment clause of this contract. In the event there has been unauthorized use of non-U.S.-flag vessels in the performance of this contract, the Contracting Officer is entitled to equitably adjust the contract, based on the unauthorized use.

(h) In the award of subcontracts for the types of supplies described in paragraph (b)(2) of this clause, the Contractor shall flow down the requirements of this clause as follows:

- (1) The Contractor shall insert the substance of this clause, including this paragraph (h), in subcontracts that exceed the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation.

(2) The Contractor shall insert the substance of paragraphs (a) through (e) of this clause, and this paragraph (h), in subcontracts that are at or below the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation.

SECTION J – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

Attachment J.1 Statement of Work entitled “Procurement, Organic Intermediate Maintenance Establishment, and Life Cycle Support of the AN/PRC-148 Multiband Inter/Intra Team Radio (MBITR)” dated 16 December 2004

Attachment J.2 Spares Kit Lists

Attachment J.3 Tools and Test Equipment List

Attachment J.4 Warranty / CDLS List

Attachment J.5 DD254

ATTACHMENT J.1

**STATEMENT OF WORK  
FOR  
PROCUREMENT,  
ORGANIC INTERMEDIATE  
MAINTENANCE ESTABLISHMENT,  
AND LIFE CYCLE SUPPORT  
OF THE AN/PRC-148  
MULTIBAND INTER/INTRA TEAM  
RADIO (MBITR)  
FOR THE  
UNITED STATES MARINE CORPS**

16 DECEMBER 2004

## TABLE OF CONTENTS

Paragraph	Title	Page
1	SCOPE .....	3
1.1	Background .....	3
2	REQUIREMENTS .....	3
2.1	Program Management .....	3
2.1.1	Program Manager .....	3
2.1.2	Reproduction Rights .....	3
2.2	Configuration Management .....	3
2.2.1	Configuration Control .....	3
2.3	Warranty .....	4
2.3.1	Initial .....	4
2.3.2	Extended .....	4
2.4	Data .....	5
2.4.1	Technical Manuals .....	5
2.4.2	Quarterly Warranty Status Reports for Warranted Radios .....	6
2.4.3	Quarterly CDLS Status Reports .....	6
2.5	Contractor Depot Maintenance Support .....	6
2.5.1	Maintenance Concept .....	6
2.5.2	Contractor Depot Maintenance Responsibilities .....	7
2.6	Training .....	8
2.6.1	Training Development .....	8
2.6.2	Operator Training .....	8
2.6.3	Intermediate Maintenance Training (Startup) .....	8
2.6.4	Intermediate Maintenance Training (Sustainment) .....	9
2.7	ENGINEERING/TECHNICAL SUPPORT SERVICES .....	10
2.7.1	In-House or Outside Field Support .....	10
2.7.2	Engineering Support .....	10
2.7.3	Repair Technician Support .....	10
2.7.4	Studies .....	10
2.7.5	Materials and Spares .....	11

**STATEMENT OF WORK  
ORGANIC INTERMEDIATE MAINTENANCE ESTABLISHMENT and LIFE CYCLE  
SUPPORT OF THE  
AN/PRC-148 MULTIBAND INTER/INTRA TEAM RADIO (MBITR)  
FOR THE  
UNITED STATES MARINE CORPS**

## **1 SCOPE**

This Statement of Work describes the work to be performed by Thales in support of the United States Marine Corps Tactical Hand Held Radio (THHR) program. The effort shall include Production of End Items, Production of Secondary Items, Spares, Program Management, Contractor Depot Maintenance, Organic Intermediate Level Maintenance, Training Classes, Warranties, and Data.

### **1.1 Background**

The United States Marine Corps (USMC) has a requirement for continuing acquisition and support of the AN/PRC-148 MBITR under the Tactical Hand Held Radio Program. The initial US Special Operations Command (USSOCOM) support concept for the MBITR was Contractor Depot Logistics Support for all maintenance above organizational level. The USMC intends to modify this support concept to transition to an organic intermediate level maintenance capability, combined with purchase of an extended warranty until such capability can be fully implemented.

## **2 REQUIREMENTS**

### **2.1 Program Management**

#### **2.1.1 Program Manager**

Thales shall provide a Program Manager who will serve as Thales focal point and ensure that cost, schedule, and technical performance requirements, as set forth in this SOW, are met.

#### **2.1.2 Reproduction Rights**

All training material, manuals, and equipment guides shall have unlimited Government Purpose reproduction rights.

### **2.2 Configuration Management**

Thales shall conduct a Configuration Management (CM) Program IAW company CM practices. The purpose of the CM program is to maintain the functional integrity (form, fit, function) and supportability features of the AN/PRC-148 throughout the duration of this contract.

#### **2.2.1 Configuration Control**

Thales shall maintain configuration control to cover hardware, firmware, software, and documentation. Thales shall maintain accurate and up to date baseline documentation.

## 2.3 Warranty

A list of warranted items is contained in Attachment B to the SOW.

### 2.3.1 Initial

Thales warrants that each new item (indicated as warranted in Attachment B) manufactured will conform with applicable specifications and will be free from defects in material and workmanship for a period of twelve (12) months (six (6) months for batteries), commencing thirty (30) days from the date of the shipment from Thales. For those items eligible for CDLS (as indicated as CDLS in Attachment B), an additional twelve (12) months of warranty coverage shall be provided at no additional cost to the USMC.

### 2.3.2 Extended

The USMC may purchase either A) an extended 5 year warranty concurrent with the purchase of new radios, or B) extended 1 year warranties for previously delivered or ordered radios. The 1 year warranties are renewable annually for up to 5 years. The extended warranty option is only available for radio (RT) units.

#### 2.3.2.1 End Item Warranty Maintenance Concept

All failed items covered under warranty (see Attachment B) will be sent by the unit to a user's CONUS receiving point for consolidated shipment to Thales. It is recommended that the central receiving point maintain a rotating stock of warranty replacements for immediate shipment to fill a unit's shortage during the repair cycle. All repaired equipment shall be returned within fifteen (15) business days to the central receiving point for replenishment of the rotating stock/spares or for return to the originating unit. Additional Time may be required if the Government returns a large quantity at the same time or for circumstances beyond Thales control. If this is the case, the turn around time may be extended through written direction from the Contracting Officer.

#### 2.3.2.2 Covered Items

Items covered by extended warranty are:

Nomenclature	Part Number
<b>(b)(4)</b>	

#### 2.3.2.3 Available Coverage

##### 2.3.2.3.1 Grandfathering - Coverage for Currently Out-Of-Warranty Radios

Thales is offering a Grandfather period for those radios (RT units) that have already been delivered as follows:

For radios ordered prior to December 31, 2002, extended warranties must be purchased by [REDACTED] Warranty will be in effect from date of purchase via delivery order to [REDACTED]

## **2.4 Data**

### **2.4.1 Technical Manuals**

All technical manuals shall be in English. Manuals shall be COTS (contractor format) and will use the requirements of MIL-M-7298E as a guide. All manuals will be provided in both hardcopy and electronic (PDF) format. The intended users of the COTS manuals are military personnel of various skills and skill levels as operators and electronics technicians as intermediate level maintainers.

#### **2.4.1.1 Operator Manual**

Thales shall provide the current existing AN/PRC-148 operator manual (part number 84329) that includes:

- a. Safety precautions
- b. Equipment description
- c. Performance characteristics
- d. Preparation for use
- e. Operating instructions
- f. Programming instructions
- g. Use of chargers/power adapters
- h. Parts list
- i. Accessories list

#### **2.4.1.2 Quick Reference Guide**

Thales shall provide the current existing laminated Quick Reference Guide (QRG) (part number 3400577-1) that includes basic operating and programming procedures and all updates thereafter.

#### **2.4.1.3 Computer-Based Training (CBT), Operator**

Thales shall provide the current existing computer-based operator training course (part number 84335) on CD-ROM and all updates thereafter. The CBT shall be used to supplement the platform training described in this Statement of Work.

#### **2.4.1.4 Intermediate Level Maintenance**

The Intermediate Level Maintenance manual shall provide information to support AN/PRC-148 equipment troubleshooting to the module (circuit card assembly (CCA)) level, CCA removal and replacement, and testing to verify equipment performance. The Intermediate Level Maintenance manual shall include illustrated disassembly, replacement, and reassembly instructions and an illustrated parts list that includes all maintenance-significant items (development does not include MA6943 Vehicle Adapter).

## 2.4.2 Quarterly Warranty Status Reports for Warranted Radios

Thales shall prepare and submit Warranty Status Reports quarterly. The reports shall list, by part number and serial number, all warranty repairs or replacements accomplished during the previous quarter. The listing shall describe each equipment failure and corrective action and shall include a summary listing of all equipment failures for the duration of the contract. In addition, the report shall include a calculation of the estimated reliability (Mean Time Between Failure) of the Maritime and Urban version radios.

## 2.4.3 Quarterly CDLS Status Reports

Thales shall prepare and submit a CDLS Status Report quarterly. The report shall list, by equipment description, serial number and original Delivery Order number, all CDLS repairs or replacements accomplished during the previous quarter, as well as the individual and summarized repair prices. The Warranty and CDLS reports may be combined.

## 2.5 Contractor Depot Maintenance Support

### 2.5.1 Maintenance Concept

The USMC MBITR maintenance concept is a variation of the traditional Organizational-Intermediate-Depot concept. Organizational and Intermediate support are provided by organic USMC assets; depot support is contractor-provided. Table 1 provides an illustration of the maintenance process.

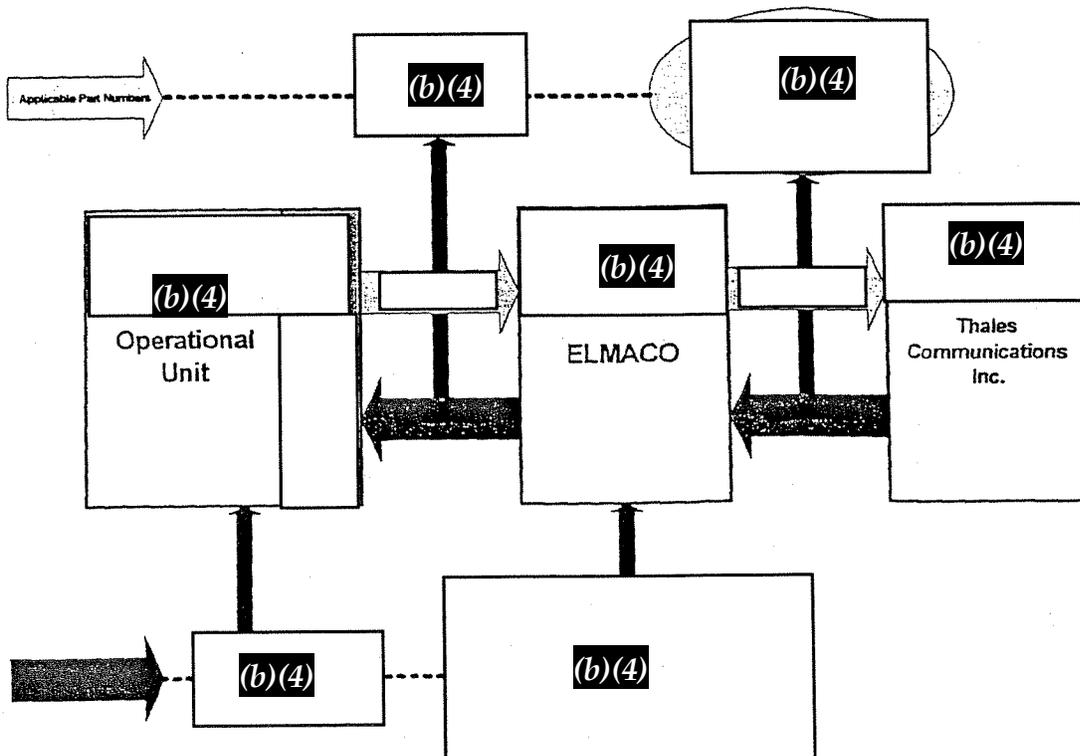


Figure 1 Proposed Maintenance Process

At O-level, the end-user will have available spare (b)(4)

(b)(4) The user will be able to have a one-for-one exchange of repairable items from a Repairables Issue Point (RIP) float stock or a direct issue of non-repairables and consumables. Non-RFI (Ready for Issue) repairables will be returned to the supporting Electronic Maintenance Company (ELMACO) (Intermediate level).

At I-level, an electronics maintenance technician will troubleshoot (b)(4)

(b)(4) repair the unit by (b)(4) as required, and re-test the unit as good (RFI). The ELMACO will maintain a site spares stock of (b)(4) on repairable equipment. The repaired end item is returned to the RIP. If a (b)(4) is used in the repair (b)(4)

If the ELMACO is unable to repair an end item, the end item (b)(4)

## 2.5.2 Contractor Depot Maintenance Responsibilities

Thales shall make available for purchase Depot level maintenance for all equipment indicated in Attachment B as "CDLS" that are not covered by warranty. Thales shall not be required to repair equipment that is beyond economical repair (BER), which is defined as (b)(4)

(b)(4)

### 2.5.2.1 Depot Maintenance

Thales shall provide and maintain all facilities, labor, materials, tools, and test equipment needed to repair (b)(4) provided under this contract. Under normal circumstances, Thales shall repair or replace and return to the Government any NRFI MBITR LRU or SRU (warranty and non-warranty) within (b)(4) calendar day maximum average turnaround time. Replacement items may (b)(4)

### 2.5.2.2 No Fault Found Returns

The initial and extended warranty does not cover the costs incurred when there is no fault found on an item, or for repairs made to items that are not covered under warranty. Thales will conduct an Acceptance Test Procedure (ATP) upon induction into its repair laboratory to determine the nature of the fault. For radios that are tested and found to be fully functioning, i.e., no faults are found, (b)(4) returns where NFF are determined to (b)(4)

## 2.6 Training

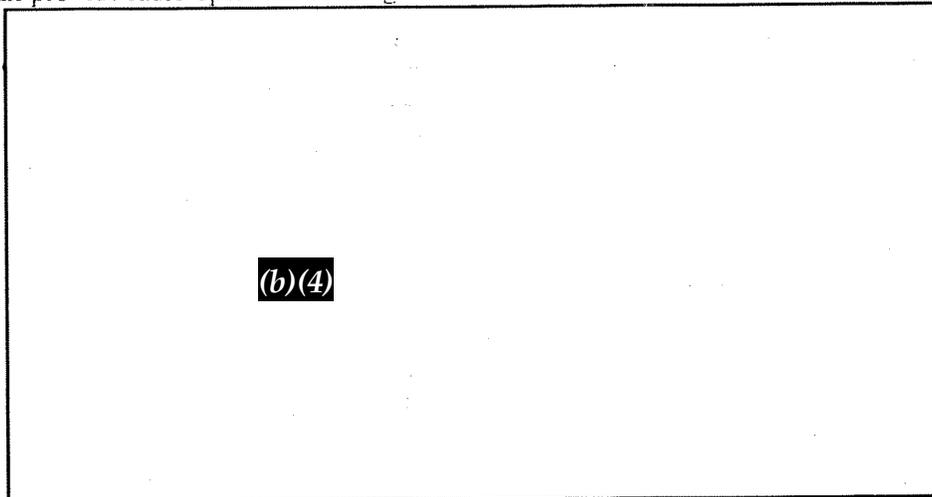
### 2.6.1 Training Development

Thales shall provide support to the Marine Corps Communications-Electronics School and Communications Officer School in the development of an MBITR Operator training course and MBITR Maintainer training course.

### 2.6.2 Operator Training

Thales shall provide radio operator training that includes:

- a.
- b.
- c.



- d.
- e.
- f.

The target audience for the operator training is military personnel of varying skills and skill levels, both communications specialists and non-communications specialists.

The maximum class size for one operator training class is 25 students.

Operator training shall be priced for 3 days at multiple locations as follows:

- a. East Coast, Single (One 3 day class, CONUS east of the Mississippi River)
- b. West Coast Single (One 3 day class, CONUS west of the Mississippi River)
- c. OCONUS Single (One 3 day class, OCONUS)
- d. East Coast, Double (Two 3 day classes held consecutively, CONUS east of the Mississippi River)
- e. West Coast Double (Two 3 day classes held consecutively, CONUS west of the Mississippi River)
- f. OCONUS Double (Two 3 day classes held consecutively, OCONUS)

Proposed OCONUS training areas shall include Pacific and Western European locations that are not within an active combat zone or area of military conflict.

### 2.6.3 Intermediate Maintenance Training (Startup)

If purchased, Thales shall provide Intermediate Maintenance training in two (2) parts, startup and sustainment. (NOTE: )

 in order to facilitate the Startup Intermediate Maintenance training, the

Government acknowledges that

[Redacted]

The quantity provided for each Startup training class shall be the quantity necessary for one (1) maintenance station.

Part 1 of the training shall include Thales action to complete:

- a.
- b.
- c.
- d.

[Redacted]

Part 2 shall include:

- a.
- b.
- c.
- d.
- e.
- f.

[Redacted]

The target audience for the Intermediate Maintenance training is

[Redacted]

[Redacted]

The maximum class size for the Intermediate Maintenance training is 6 students.

Intermediate Maintenance training shall be a thirteen (13) day course conducted at USMC-designated locations, allocated as follows: 3 days operator training, 3 days Test Equipment setup and checkout, 7 days maintainer training.

Proposed OCONUS training areas shall include Pacific and Western European locations that are not within an active combat zone or area of military conflict.

#### 2.6.4 Intermediate Maintenance Training (Sustainment)

Thales shall provide Intermediate Maintenance sustainment training at ELMACOs with established MBITR intermediate maintenance capability.

Refresher training shall include:

- a.
- b.
- c.
- d.
- e.
- f.

[Redacted]

The target audience for the Intermediate Maintenance refresher training

[Redacted]

[Redacted]

The maximum class size for the Intermediate Maintenance refresher training is 6 students.

Intermediate Maintenance refresher training shall be a ten (10) day course conducted at USMC-designated locations.

Proposed OCONUS training areas shall include Pacific and Western European locations that are not within an active combat zone or area of military conflict.

## **2.7 ENGINEERING/TECHNICAL SUPPORT SERVICES**

Thales shall provide engineering and technical support services, as determined and authorized by the Government, for efforts related to

[REDACTED]

program. When requested, Thales shall provide a quotation for each task contemplated by the Government.

### **2.7.1 In-House or Outside Field Support**

Thales shall provide field support services when authorized by the government. These services shall include but not be limited to

[REDACTED]

### **2.7.2 Engineering Support**

Thales shall provide engineering support and integration expertise as authorized. This shall include but not be limited to:

- Provide AN/PRC-148 systems engineering support.
- Provide personnel to participate in meetings, IPTs, IPRs, etc.
- Respond to queries by the Government on issues related to systems engineering and integration of the AN/PRC-148.
- Perform laboratory tests to confirm the adequacy/accuracy of any data reported to the Government regarding the AN/PRC-148.
- Respond to queries from other contractors and perform other tasks as authorized by the Government.
- Participate in technical working groups and field test activities to identify and resolve potential equipment performance deficiencies.

### **2.7.3 Repair Technician Support**

Thales shall provide repair and test technicians to support repair and testing of THHR and associated equipment at Marine Corps maintenance facilities, as determined and authorized by the government.

### **2.7.4 Studies**

Thales shall perform research and conduct studies, when authorized, in support of the THHR system.

### **2.7.5 Materials and Spares**

The USMC may purchase other incidental materials required to support this effort on an as-needed basis.

ATTACHMENT J.2

SPARES LISTS

(Note: Individual part numbers and quantities in spares lists are subject to change to reflect current equipment configuration and maintenance concept)

[Redacted]

Supports [Redacted] (b)(4) for one year

PART NUMBER	DESCRIPTION	QUANTITY
(b)(4)		

[Redacted] (b)(4)

Supports [Redacted] ELMACO Level Spares Kit, Initial for one year

PART NUMBER	DESCRIPTION	QUANTITY
(b)(4)		

**(b)(4)**

## SECTION H – SPECIAL CONTRACT REQUIREMENTS

### **H.1 CONSTRUCTIVE CHANGE ORDERS**

No order, statement, or conduct of Government personnel who might visit the contractor's facility or in any other manner communicate with contractor personnel during the performance of this contract shall constitute a change under the "Changes" clause of this contract.

No understanding or agreement, contract modification, change order, or other matter deviating from or constituting an alteration or change of the terms of the contract shall be effective or binding upon the Government unless formalized by contractual documents executed by the Contracting Officer.

The Contracting Officer is the only person authorized to approve changes in any of the requirements of this contract and, notwithstanding provisions contained elsewhere in the contract, the said authority remains solely with the Contracting Officer. In the event that the contractor effects any change at the direction of any person other than the Contracting Officer, the change will be considered to have been made without authority at the contractor's expense, and no adjustment shall be made in the contract price or other contract terms and conditions as consideration for the aforementioned unauthorized change. Further, should the unauthorized change be to the Government's detriment, the contractor may be held financially responsible for its correction.

### **H.2 CONTRACTOR NOTICE REGARDING LATE DELIVERY**

In the event the Contractor for any reason anticipates or encounters difficulty in complying with the contract delivery schedule or in meeting any of the other requirements of the contract, it shall immediately notify the Contracting Officer in writing, with a copy to the cognizant Contract Administration Officer, if assigned, giving pertinent details. However, this data shall be considered informational only in character and receipt by the Government shall not be construed as a waiver by the Government of (a) any delivery schedule or date, or (b) compliance with any other contract requirement by the Contractor, or (c) any other rights or remedies provided to the Government by law or under this contract.

### **H.3 INCORPORATION OF REPRESENTATIONS AND CERTIFICATIONS BY REFERENCE**

All representations and certifications and other written statements made by the contractor in response to SECTION K of the solicitation or at the request of the Contracting Officer, incident to the award of the contract or modification of this contract, are hereby incorporated by reference with the same force and effect as if they were given in full text.

### **H.4 RESPONSIBILITY IN SUBCONTRACTING**

The contractor shall provide the technology processes, test procedures, data, drawings, and/or other information required to facilitate competition to the fullest extent feasible, and assure performance by selected subcontractors. The contractor will be fully responsible for assuring that all appropriate contractual provisions and clauses are passed down to its subcontractors, and that those provisions are enforced.

## SECTION I – CONTRACT CLAUSES

### **I.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov/far/> or <http://farsite.hill.af.mil/>

Federal Acquisition Regulation (48 CFR Chapter 1) (Clauses/Provisions); clauses preceded by a '2' refer to Defense Federal Acquisition Regulation (DFAR) Supplemental clauses:

52.202-1	Definitions (Dec 2001)
52.203-3	Gratuities (Apr 1984)
52.203-5	Covenant Against Contingent Fees (Apr 1984)
52.203-6	Restrictions on Subcontractor Sales to the Government (Jul 1995)
52.203-7	Anti-Kickback Procedures (Jul 1995)
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (Jan 1997)
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity (Jan 1997)
52.203-12	Limitation on Payments to Influence Certain Federal Transactions (Jun 1997)
52.204-2	Security Requirements (Aug 1996)
52.204-4	Printed/Copied Double-Sided on Recycled Paper (Aug 2000)
52.204-7	Central Contractor Registration (Oct 2003)
52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Jul 1995)
52.215-2	Audit and Records--Negotiation (Jun 1999)
52.215-8	Order of Precedence--Uniform Contract Format (Oct 1997)
52.215-10	Price Reduction for Defective Cost or Pricing Data (Oct 1997)
52.215-11	Price Reduction for Defective Cost or Pricing Data--Modifications (Oct 1997)
52.215-12	Subcontractor Cost or Pricing Data (Oct 1997)
52.215-13	Subcontractor Cost or Pricing Data--Modifications (Oct 1997)
52.215-14	Integrity of Unit Prices (Oct 1997) Alt I (Oct 1997)
52.215-15	Pension Adjustments and Asset Reversions (Dec 1998)
52.215-18	Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) Other than Pensions (Oct 1997)
52.216-7	Allowable Cost and Payment (Dec 2002)
52.219-8	Utilization of Small Business Concerns (Oct 2000)
52.222-2	Payment of Overtime Premiums (Jul 1990) (Paragraph (a) - Insert ZERO)
52.222-3	Convict Labor (Aug 1996)
52.222-20	Walsh-Healey Public Contracts Act (Dec 1996)
52.222-21	Prohibition of Segregated Facilities (Feb 1999)
52.222-26	Equal Opportunity (Apr 2002)
52.222-35	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (Dec 2001)
52.222-36	Affirmative Action for Workers with Disabilities (Jun 1998)
52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (Dec 2001)
52.223-6	Drug-Free Workplace (May 2001)
52.225-8	Duty-Free Entry (Feb 2000)
52.225-13	Restrictions on Certain Foreign Purchases (Jul 2000)
52.227-1	Authorization and Consent (Jul 1995) and Alt. (Apr 1984)
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement (Aug 1996)
52.227-9	Refund of Royalties (Apr 1984)
52.227-10	Filing of Patent Applications--Classified Subject Matter (Apr 1984)
52.227-14	Rights in Data--General (Jun 1987)
52.228-7	Insurance -Liability to Third Persons (Mar 1996)
52.229-3	Federal, State, and Local Taxes (Apr 2003)

52.232-1 Payments (Apr 1984)  
 52.232-8 Discounts for Prompt Payment (Feb 2002)  
 52.232-9 Limitation on Withholding of Payments (Apr 1984)  
 52.232-11 Extras (Apr 1984)  
 52.232-17 Interest (Jun 1996)  
 52.232-18 Availability of Funds (Apr 1984)  
 52.232-20 Limitation of Cost (Apr 1984)  
 52.232-22 Limitation of Funds (Apr 1984)  
 52.232-23 Assignment of Claims (Jan 1986)  
 52.232-25 Prompt Payment (Oct 2003)  
 52.232-33 Payment By Electronic Funds Transfer--Central Contractor Registration (May 1999)  
 52.233-1 Disputes (Jul 2002)  
 52.233-3 Protest After Award (Aug 1996) Alt I (Jun 1985)  
 52.237-3 Continuity of Services (Jan 1991)  
 52.239-1 Privacy or Security Safeguards (Aug 1996)  
 52.242-1 Notice of Intent to Disallow Costs (Apr 1984)  
 52.242-3 Penalties for Unallowable Costs (Mar 2001)  
 52.242-4 Certification of Final Indirect Costs (Jan 1997)  
 52.242-13 Bankruptcy (Jul 1995)  
 52.243-1 Changes – Fixed Price (Aug 1987) Alt II (Apr 1984)  
 52.244-2 Subcontracts (Aug 1998)  
 52.244-5 Competition in Subcontracting (Dec 1996)  
 52.245-18 Special Test Equipment (Feb 1993)  
 52.245-19 Government Property Furnished “As Is”(Apr 1984)  
 52.246-23 Limitation of Liability (Feb 1997)  
 52.246-25 Limitation of Liability--Services (Feb 1997)  
 52.247-63 Preference for U.S. Flag Air Carriers (Jan 1997)  
 52.248-1 Value Engineering (Feb 2000)  
 52.249-2 Termination for Convenience of the Government (Fixed Price) (Sep 1996)  
 52.249-8 Default (Fixed-Price Supply and Service) (Apr 1984)  
 52.249-14 Excusable Delays (Apr 1984)  
 52.251-1 Government Supply Sources (Apr 1984)  
 52.253-1 Computer Generated Forms (Jan 1991)

252.201-7000 Contracting Officer’s Representative (Dec 1991)  
 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract Related Felonies (Mar 1999)

252.203-7002 Display of DoD Hotline Poster (Dec 1991)  
 252.204-7000 Disclosure of Information (Dec 1991)  
 252.204-7002 Payment for Subline Items Not Separately Priced (Dec 1991)  
 252.204-7003 Control of Government Personnel Work Product (Apr 1992)  
 252.204-7004 Alternate A (Nov 2003)  
 252.204-7005 Oral Attestation of Security Responsibilities (Nov 2001)  
 252.205-7000 Provision of Information to Cooperative Agreement Holders (Dec 1991)  
 252.209-7000 Acquisition from Subcontractors Subject to the on-Site Inspection Under the Intermediate-Range Nuclear Forces (INF) Treaty (Nov 1995)

252.209-7002 Disclosure of Ownership or Control By a Foreign Government (Sep 1994)  
 252.209-7004 Subcontracting with Firms That Are Owned or Controlled By the Government of a Terrorist Country (Mar 1998)

252.211-7000 Acquisition Streamlining (Dec 1991)  
 252.215-7000 Pricing Adjustment (Dec 1991)  
 252.215-7002 Cost Estimating System Requirements (Oct 1998)  
 252.223-7001 Hazard Warning Labels (Dec 1991)  
 252.223-7004 Drug-Free Work Force (Sep 1988)  
 252.225-7001 Buy American Act and Balance of Payments Program (Apr 2003)  
 252.225-7002 Qualifying Country Sources As Subcontractors (Apr 2003)  
 252.225-7012 Preference for Certain Domestic Commodities (Jun 2004)

252.225-7013	Duty-Free Entry (Jan 2004)
252.225-7014	Preference for Domestic Specialty Metals (Apr 2003) Alt I (Apr 2003)
252.225-7015	Restriction on Acquisition of hand or measuring tools (Apr 2003)
252.225-7016	Restriction on Acquisition of Ball or Roller Bearings (May 2004)
252.225-7031	Secondary Arab Boycott of Israel (Apr 2003)
252.227-7013	Rights in Technical Data--Noncommercial Items (Nov 1995)
252.227-7014	Rights in Noncommercial Computer Software and Non-Commercial Computer Software Documentation (Jun 1995)
252.227-7016	Rights in Bid or Proposal Information (Jun 1995)
252.227-7019	Validation of Asserted Restrictions--Computer Software (Jun 1995)
252.227-7025	Limitations on the Use or Disclosure of Government-Furnished Information Marked with Restrictive Legends (Jun 1995)
252.227-7026	Deferred Delivery of Technical Data or Computer Software (Apr 1988)
252.227-7027	Deferred Ordering of Technical Data or Computer Software (Apr 1988)
252.227-7030	Technical Data--Withholding of Payment (Mar 2000)
252.227-7037	Validation of Restrictive Markings on Technical Data (Sep 1999)
252.231-7000	Supplemental Cost Principles (Dec 1991)
252.232-7003	Electronic Submission of Payment Requests (Jan 2004)
252.235-7010	Acknowledgment of Support and Disclaimer (May 1995)
252.243-7001	Pricing of Contract Modifications (Dec 1991)
252.243-7002	Requests for Equitable Adjustments (Mar 1998)
252.244-7000	Subcontracts for Commercial Items and Commercial Components (DoD Contracts) (Mar 2000)
252.245-7001	Reports of Government Property (May 1994)
252.245-7000	Material Inspection and Receiving Report (Mar 2003)
252.246-7001	Warranty of Data (Dec 1991) and Alt II (Dec 1991)
252.247-7024	Notification of Transportation of Supplies by Sea (Mar 2000)

## 1.2 CLAUSES INCORPORATED IN FULL TEXT

### FAR 52.215-19 NOTIFICATION OF OWNERSHIP CHANGES (OCT 1997)

(a) The Contractor shall make the following notification in writing:

(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.

(2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall—

(1) Maintain current, accurate, and complete inventory records of assets and their costs;

(2) Provide the ACO or designated representative ready access to the records upon request;

(3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and

(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

**FAR 52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA--MODIFICATIONS (OCT 1997)**

(a) Exceptions from cost or pricing data.

(1) In lieu of submitting cost or pricing data for modifications under this contract, for price adjustments expected to exceed the threshold set forth in FAR 15.403-4 on the date of the agreement on price or the date of the award, whichever is later, the Contractor may submit a written request for exception by submitting the information described in the following subparagraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable--

(i) Identification of the law or regulation establishing the price offered. If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document unless it was previously submitted to the contracting office.

(ii) Information on modifications of contracts or subcontracts for commercial items.

(A) If--

(1) The original contract or subcontract was granted an exception from cost or pricing data requirements because the price agreed upon was based on adequate price competition, or prices set by law or regulation, or was a contract or subcontract for the acquisition of a commercial item, and

(2) The modification (to the contract or subcontract) is not exempted based on one of these exceptions, then the Contractor may provide information to establish that the modification would not change the contract or subcontract from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of an item other than a commercial item.

(B) For a commercial item exception, the Contractor may provide, at a minimum, information on prices at which the same item or similar items have been sold that is adequate for evaluating the reasonableness of the price of the modification. Such information may include--

(1) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities.

(2) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market.

(3) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

(2) The Contractor grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this clause, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the Contractor's determination of the prices to be offered in the catalog or marketplace.

(b) Requirements for cost or pricing data. If the Contractor is not granted an exception from the requirement to submit cost or pricing data, the following applies:

(1) The Contractor shall submit cost or pricing data and supporting attachments in accordance with Table 15-2 of FAR 15.408.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions), the Contractor shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.406-2.

- (a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from Contract Award through Five (5) Years After Contract Award.
- (b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.
- (c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally or by written telecommunications only if authorized in the Schedule.

#### FAR 52.216-19 ORDER LIMITATIONS (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than (no minimum), the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor--

(1) Any order for a single item in excess of \*\* ; or

(2) Any order for a combination of items in excess of \*\*; of

(3) A series of orders from the same ordering office within \*\* days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

\*\* No maximum.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if this requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within fifteen (15) days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

#### FAR 52.216-22 INDEFINITE QUANTITY (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies and services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum". The Government shall order at least the quantity of supplies and services designated as the "minimum".

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after 30 October 2009.

FAR 52.243-7 NOTIFICATION OF CHANGES (APR 1984)

(a) Definitions. "Contracting Officer", as used in this clause, does not include any representative of the Contracting Officer. "Specifically authorized representative (SAR)" as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to the Contractor) which shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) Notice. The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify the Administrative Contracting Officer in writing promptly, within 15 calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice shall state—

- (1) the date, nature, and circumstances of the conduct regarded as a change;
- (2) the name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;
- (3) the identification of any documents and the substance of any oral communication involved in such conduct;
- (4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;
- (5) the particular elements of contract performance for which the Contractor may seek an equitable adjustment under this clause, including—
  - (i) What contract line items have been or may be affected by the alleged change;
  - (ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;
  - (iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;
  - (iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and
- (6) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) Continued performance. Following submission of the notice required by (b) above, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance; provided, however, that if the Contractor regards the direction or communication as a change as described in (b) above, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing promptly and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall promptly countermand any action which exceeds the authority of the SAR.

(d) Government response. The Contracting Officer shall promptly, within 15 calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either—

- (1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;
- (2) Countermand any communication regarded as a change;
- (3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or

(4) In the event the Contractor's notice information is inadequate to make a decision under (1), (2) or (3) above, advise the Contractor that additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) Equitable adjustments. (1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made--

(i) In the contract price or delivery schedule or both; and

(ii) In such other provisions of the contract as may be affected.

(2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably should have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. the equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in (b) and (c) above.

**FAR 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS  
(MAY 2002)**

a) *Definitions.* As used in this clause--

"Commercial item" has the meaning contained in the clause at 52.202-1, Definitions.

"Subcontract" includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

(c)

(1) The Contractor shall insert the following clauses in subcontracts for commercial items:

(i) 52.219-8, Utilization of Small Business Concerns (Oct 200) (15 U.S.C. 637(d)(2)(3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceed \$500,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(ii) 52.222-26, Equal Opportunity (Apr 2002) (E.O. 11246).

(iii) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212(a));

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (Jun 1998) (29 U.S.C. 793).

(v) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Jun 2000) (46 U.S.C. Appx 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

(2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

**DFARS 252.232-7003 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS (MAR 2003)**

(a) *Definitions.* As used in this clause-

(1) "Contract financing payment" and "invoice payment" have the meanings given in section 32.001 of the Federal Acquisition Regulation.

(2) "Electronic form" means any automated system that transmits information electronically from the initiating system to all affected systems. Facsimile, e-mail, and scanned documents are not acceptable electronic forms.

(3) "Payment request" means any request for contract financing payment or invoice payment submitted by the Contractor under this contract.

(b) Except as provided in paragraph (c) of this clause, the Contractor shall submit payment requests using one of the following electronic forms:

(1) Wide Area WorkFlow-Receipt and Acceptance (WAWF-RA). Information regarding WAWF-RA is available on the Internet at <https://rmb.ogden.disa.mil>.

(2) Web Invoicing System (WInS). Information regarding WInS is available on the Internet at <https://ecweb.dfas.mil>.

(3) American National Standards Institute (ANSI) X.12 electronic data interchange (EDI) formats.

(i) Information regarding EDI formats is available on the Internet at <http://www.X12.org>.

(ii) EDI implementation guides are available on the Internet at <http://www.dfas.mil/ecedi>.

(4) Another electronic form authorized by the Contracting Officer.

(c) If the Contractor is unable to submit a payment request in electronic form, or DoD is unable to receive a payment request in electronic form, the Contractor shall submit the payment request using a method mutually agreed to by the Contractor, the Contracting Officer, and the payment office.

(d) In addition to the requirements of this clause, the Contractor shall meet the requirements of the appropriate payment clauses in this contract when submitting payment requests.

(End of clause)

**DFARS 252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (FEB 2003)**

a) *Definition.* "SPI process," as used in this clause, means a management or manufacturing process that has been accepted previously by the Department of Defense under the Single Process Initiative (SPI) for use in lieu of a specific military or Federal specification or standard at specific facilities. Under SPI, these processes are reviewed and accepted by a Management Council, which includes representatives of the Contractor, the Defense Contract Management Agency, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI processes in lieu of military or Federal specifications and standards cited in the solicitation. A listing of SPI processes accepted at specific facilities is available via the Internet in Excel format at <http://www.dcm.mil/onebook/7.0/7.2./7.2.6/reports/modified.xls>.

(c) An offeror proposing to use an SPI process in lieu of military or Federal specifications or standards cited in the solicitation shall-

- (1) Identify the specific military or Federal specification or standard for which the SPI process has been accepted;
  - (2) Identify each facility at which the offeror proposes to use the specific SPI process in lieu of military or Federal specifications or standards cited in the solicitation;
  - (3) Identify the contract line items, subline items, components, or elements affected by the SPI process; and
  - (4) If the proposed SPI process has been accepted at the facility at which it is proposed for use, but is not yet listed at the Internet site specified in paragraph (b) of this clause, submit documentation of Department of Defense acceptance of the SPI process.
- (d) Absent a determination that an SPI process is not acceptable for this procurement, the Contractor shall use the following SPI processes in lieu of military or Federal specifications or standards:

*(Offeror insert information for each SPI process)*

SPI Process:

Facility:

Military or Federal Specification or Standard:

Affected Contract Line Item Number, Subline Item Number, Component, or Element:

(e) If a prospective offeror wishes to obtain, prior to the time specified for receipt of offers, verification that an SPI process is an acceptable replacement for military or Federal specifications or standards required by the solicitation, the prospective offeror-

(1) May submit the information required by paragraph (d) of this clause to the Contracting Officer prior to submission of an offer; but

(2) Must submit the information to the Contracting Officer at least 10 working days prior to the date specified for receipt of offers.

**DFARS 252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAY 2002)**

(a) *Definitions.* As used in this clause-

(1) "Components" means articles, materials, and supplies incorporated directly into end products at any level of manufacture, fabrication, or assembly by the Contractor or any subcontractor.

(2) "Department of Defense" (DoD) means the Army, Navy, Air Force, Marine Corps, and defense agencies.

(3) "Foreign flag vessel" means any vessel that is not a U.S.-flag vessel.

(4) "Ocean transportation" means any transportation aboard a ship, vessel, boat, barge, or ferry through international waters.

(5) "Subcontractor" means a supplier, materialman, distributor, or vendor at any level below the prime contractor whose contractual obligation to perform results from, or is conditioned upon, award of the prime contract and who is performing any part of the work or other requirement of the prime contract.

(6) "Supplies" means all property, except land and interests in land, that is clearly identifiable for eventual use by or owned by the DoD at the time of transportation by sea.

(i) An item is clearly identifiable for eventual use by the DoD if, for example, the contract documentation contains a reference to a DoD contract number or a military destination.

(ii) "Supplies" includes (but is not limited to) public works; buildings and facilities; ships; floating equipment and vessels of every character, type, and description, with parts, subassemblies, accessories, and equipment; machine tools; material; equipment; stores of all kinds; end items; construction materials; and components of the foregoing.

(7) "U.S.-flag vessel" means a vessel of the United States or belonging to the United States, including any vessel registered or having national status under the laws of the United States.

(b)(1) The Contractor shall use U.S.-flag vessels when transporting any supplies by sea under this contract.

(2) A subcontractor transporting supplies by sea under this contract shall use U.S.-flag vessels if-

(i) This contract is a construction contract; or

(ii) The supplies being transported are-

(A) Noncommercial items; or

(B) Commercial items that-

(1) The Contractor is reselling or distributing to the Government without adding value (generally, the Contractor does not add value to items that it subcontracts for f.o.b. destination shipment);

(2) Are shipped in direct support of U.S. military contingency operations, exercises, or forces deployed in humanitarian or peacekeeping operations; or

(3) Are commissary or exchange cargoes transported outside of the Defense Transportation System in accordance with 10 U.S.C. 2643.

(c) The Contractor and its subcontractors may request that the Contracting Officer authorize shipment in foreign-flag vessels, or designate available U.S.-flag vessels, if the Contractor or a subcontractor believes that-

(1) U.S.-flag vessels are not available for timely shipment;

(2) The freight charges are inordinately excessive or unreasonable; or

(3) Freight charges are higher than charges to private persons for transportation of like goods.

(d) The Contractor must submit any request for use of other than U.S.-flag vessels in writing to the Contracting Officer at least 45 days prior to the sailing date necessary to meet its delivery schedules. The Contracting Officer will process requests submitted after such date(s) as expeditiously as possible, but the Contracting Officer's failure to grant approvals to meet the shipper's sailing date will not of itself constitute a compensable delay under this or any other clause of this contract. Requests shall contain at a minimum-

(1) Type, weight, and cube of cargo;

(2) Required shipping date;

(3) Special handling and discharge requirements;

(4) Loading and discharge points;

(5) Name of shipper and consignee;

(6) Prime contract number; and

(7) A documented description of efforts made to secure U.S.-flag vessels, including points of contact (with names and telephone numbers) with at least two U.S.-flag carriers contacted. Copies of telephone notes, telegraphic and facsimile message or letters will be sufficient for this purpose.

(e) The Contractor shall, within 30 days after each shipment covered by this clause, provide the Contracting Officer and the Maritime Administration, Office of Cargo Preference, U.S. Department of Transportation, 400 Seventh Street SW, Washington, DC 20590, one copy of the rated on board vessel operating carrier's ocean bill of lading, which shall contain the following information:

- (1) Prime contract number;
- (2) Name of vessel;
- (3) Vessel flag of registry;
- (4) Date of loading;
- (5) Port of loading;
- (6) Port of final discharge;
- (7) Description of commodity;
- (8) Gross weight in pounds and cubic feet if available;
- (9) Total ocean freight in U.S. dollars; and
- (10) Name of steamship company.

(f) The Contractor shall provide with its final invoice under this contract a representation that to the best of its knowledge and belief-

- (1) No ocean transportation was used in the performance of this contract;
- (2) Ocean transportation was used and only U.S.-flag vessels were used for all ocean shipments under the contract;
- (3) Ocean transportation was used, and the Contractor had the written consent of the Contracting Officer for all non-U.S.-flag ocean transportation; or
- (4) Ocean transportation was used and some or all of the shipments were made on non-U.S.-flag vessels without the written consent of the Contracting Officer. The Contractor shall describe these shipments in the following format:

	ITEM DESCRIPTION	CONTRACT LINE ITEMS	QUANTITY
TOTAL			

(g) If the final invoice does not include the required representation, the Government will reject and return it to the Contractor as an improper invoice for the purposes of the Prompt Payment clause of this contract. In the event there has been unauthorized use of non-U.S.-flag vessels in the performance of this contract, the Contracting Officer is entitled to equitably adjust the contract, based on the unauthorized use.

(h) In the award of subcontracts for the types of supplies described in paragraph (b)(2) of this clause, the Contractor shall flow down the requirements of this clause as follows:

- (1) The Contractor shall insert the substance of this clause, including this paragraph (h), in subcontracts that exceed the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation.

(2) The Contractor shall insert the substance of paragraphs (a) through (e) of this clause, and this paragraph (h), in subcontracts that are at or below the simplified acquisition threshold in Part 2 of the Federal Acquisition Regulation.